

# Senate Study Bill 1280

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED GOVERNOR'S  
BUDGET BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to and making appropriations for health and human  
2 services for the fiscal year beginning July 1, 2005, and  
3 providing effective dates.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
5 TLSB 1100XG 81  
6 pf/cf/24

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1 1 DIVISION I  
1 2 HEALTH AND HUMAN SERVICES  
1 3 ELDER AFFAIRS  
1 4 Section 1. DEPARTMENT OF ELDER AFFAIRS. There is  
1 5 appropriated from the general fund of the state to the  
1 6 department of elder affairs for the fiscal year beginning July  
1 7 1, 2005, and ending June 30, 2006, the following amount, or so  
1 8 much thereof as is necessary, to be used for the purposes  
1 9 designated:  
1 10 For aging programs for the department of elder affairs and  
1 11 area agencies on aging to provide citizens of Iowa who are 60  
1 12 years of age and older with case management for the frail  
1 13 elderly, the retired and senior volunteer program, resident  
1 14 advocate committee coordination, employment, and other  
1 15 services which may include, but are not limited to, adult day  
1 16 services, respite care, chore services, telephone reassurance,  
1 17 information and assistance, home repair services, and for the  
1 18 construction of entrance ramps which make residences  
1 19 accessible to the physically handicapped, and for salaries,  
1 20 support, administration, maintenance, and miscellaneous  
1 21 purposes:  
1 22 ..... \$ 3,359,366  
1 23 1. Funds appropriated in this section may be used to  
1 24 supplement federal funds under federal regulations. To  
1 25 receive funds appropriated in this section, a local area  
1 26 agency on aging shall match the funds with moneys from other  
1 27 sources according to rules adopted by the department. Funds  
1 28 appropriated in this section may be used for elderly services  
1 29 not specifically enumerated in this section only if approved  
1 30 by an area agency on aging for provision of the service within  
1 31 the area.  
1 32 2. Of the funds appropriated in this section and any other  
1 33 state funds allocated for aging programs of the area agencies  
1 34 on aging not more than 7.5 percent of the total amount  
1 35 allocated shall be used for area agencies on aging  
2 1 administrative purposes.  
2 2 3. If the Eighty-first General Assembly enacts legislation  
2 3 establishing the Iowa commission on volunteer service, then of  
2 4 the funds appropriated in this section, \$174,198 shall be  
2 5 transferred to the office of the governor for the Iowa  
2 6 commission on volunteer service.  
2 7 HEALTH  
2 8 Sec. 2. DEPARTMENT OF PUBLIC HEALTH. There is  
2 9 appropriated from the general fund of the state to the Iowa  
2 10 department of public health for the fiscal year beginning July  
2 11 1, 2005, and ending June 30, 2006, the following amounts, or  
2 12 so much thereof as is necessary, to be used for the purposes  
2 13 designated:  
2 14 1. ADDICTIVE DISORDERS  
2 15 For reducing the prevalence of use of tobacco, alcohol, and  
2 16 other drugs, and treating individuals affected by addictive

2 17 behaviors, including gambling:  
2 18 ..... \$ 2,228,710  
2 19 2. ADULT WELLNESS  
2 20 For maintaining or improving the health status of adults,  
2 21 with target populations between the ages of 18 through 60:  
2 22 ..... \$ 304,067  
2 23 3. CHILD AND ADOLESCENT WELLNESS  
2 24 For promoting the optimum health status for children and  
2 25 adolescents from birth through 21 years of age:  
2 26 ..... \$ 1,699,052  
2 27 4. CHRONIC CONDITIONS  
2 28 For serving individuals identified as having chronic  
2 29 conditions or special health care needs:  
2 30 ..... \$ 2,372,185  
2 31 Of the funds appropriated in this subsection, not more than  
2 32 \$100,000 shall be used to leverage federal funding through the  
2 33 federal Ryan White Care Act, Title II, AIDS drug assistance  
2 34 program supplemental drug treatment grants.  
2 35 Of the funds appropriated in this subsection, not more than  
3 1 \$500,000 shall be used for a grant program to facilitate  
3 2 implementation of electronic medical records. Priority shall  
3 3 be given to areas focusing on chronic care management. The  
3 4 Iowa department of public health may adopt emergency rules to  
3 5 implement this grant program.  
3 6 5. COMMUNITY CAPACITY  
3 7 For strengthening the health care delivery system at the  
3 8 local level:  
3 9 ..... \$ 2,056,290  
3 10 Of the funds appropriated in this subsection, not more than  
3 11 \$670,213 shall be used for the healthy opportunities to  
3 12 experience success (HOPES) = healthy families Iowa (HFI)  
3 13 program established pursuant to section 135.106.  
3 14 6. ELDERLY WELLNESS  
3 15 For optimizing the health of persons 60 years of age and  
3 16 older:  
3 17 ..... \$ 9,233,985  
3 18 The department shall implement elderly wellness services in  
3 19 a manner that ensures that the services provided are not  
3 20 payable by a third-party source.  
3 21 7. ENVIRONMENTAL HAZARDS  
3 22 For reducing the public's exposure to hazards in the  
3 23 environment, primarily chemical hazards:  
3 24 ..... \$ 251,808  
3 25 8. INFECTIOUS DISEASES  
3 26 For reducing the incidence and prevalence of communicable  
3 27 diseases:  
3 28 ..... \$ 1,078,039  
3 29 9. INJURIES  
3 30 For providing support and protection to victims of abuse or  
3 31 injury, or programs that are designed to prevent abuse or  
3 32 injury:  
3 33 ..... \$ 709,045  
3 34 Of the funds appropriated in this subsection, \$643,500  
3 35 shall be credited to the emergency medical services fund  
4 1 created in section 135.25.  
4 2 10. PUBLIC PROTECTION  
4 3 For protecting the health and safety of the public through  
4 4 establishing standards and enforcing regulations:  
4 5 ..... \$ 7,317,958  
4 6 a. The department may expend funds received from licensing  
4 7 fees in addition to amounts appropriated in this subsection,  
4 8 if those additional expenditures are directly the result of  
4 9 any unanticipated litigation or scope of practice review  
4 10 committee expense. Before the department expends or encumbers  
4 11 funds for a scope of practice review committee or for an  
4 12 amount in excess of the funds budgeted for an examining board,  
4 13 the director of the department of management shall approve the  
4 14 expenditure or encumbrance. The amounts necessary to fund any  
4 15 unanticipated litigation or scope of practice review committee  
4 16 expense in the fiscal year beginning July 1, 2005, shall not  
4 17 exceed 5 percent of the average annual fees generated by the  
4 18 boards for the previous two fiscal years. The funds  
4 19 authorized for expenditure pursuant to this lettered paragraph  
4 20 are appropriated to the department for the purposes described  
4 21 in this paragraph.  
4 22 b. For the fiscal year beginning July 1, 2005, the  
4 23 department shall retain fees collected from the certification  
4 24 of lead inspectors and lead abaters pursuant to section  
4 25 135.105A to support the certification program; and shall  
4 26 retain fees collected from the licensing, registration,  
4 27 authorization, accreditation, and inspection of x-ray machines

4 28 used for mammographically guided breast biopsy, screening, and  
4 29 diagnostic mammography, pursuant to section 136C.10 to support  
4 30 the administration of the chapter. The department may also  
4 31 retain fees collected pursuant to section 136C.10 on all  
4 32 shippers of radioactive material waste containers transported  
4 33 across Iowa if the department does not obtain funding to  
4 34 support the oversight and regulation of this activity, and for  
4 35 x-ray radiology examination fees collected by the department  
5 1 and reimbursed to a private organization conducting the  
5 2 examination. Fees retained by the department pursuant to this  
5 3 lettered paragraph are appropriated to the department for the  
5 4 purposes described in this lettered paragraph.

5 5 c. The department may retain and expend not more than  
5 6 \$297,961 for lease and maintenance expenses from fees  
5 7 collected pursuant to section 147.80 by the board of dental  
5 8 examiners, the board of pharmacy examiners, the board of  
5 9 medical examiners, and the board of nursing in the fiscal year  
5 10 beginning July 1, 2005, and ending June 30, 2006. Fees  
5 11 retained by the department pursuant to this lettered paragraph  
5 12 are appropriated to the department for the purposes described  
5 13 in this lettered paragraph.

5 14 d. The department may retain and expend not more than  
5 15 \$100,000 for reduction of the number of days necessary to  
5 16 process medical license requests and for reduction of the  
5 17 number of days needed for consideration of malpractice cases  
5 18 from fees collected pursuant to section 147.80 by the board of  
5 19 medical examiners in the fiscal year beginning July 1, 2005,  
5 20 and ending June 30, 2006. Fees retained by the department  
5 21 pursuant to this lettered paragraph are appropriated to the  
5 22 department for the purposes described in this lettered  
5 23 paragraph.

5 24 e. The board of dental examiners may retain and expend not  
5 25 more than \$148,060 from revenues generated pursuant to section  
5 26 147.80. Fees retained by the board pursuant to this lettered  
5 27 paragraph are appropriated to the department to be used for  
5 28 the purposes of regulating dental assistants.

5 29 f. The board of medical examiners, the board of pharmacy  
5 30 examiners, the board of dental examiners, and the board of  
5 31 nursing shall prepare estimates of projected receipts to be  
5 32 generated by the licensing, certification, and examination  
5 33 fees of each board as well as a projection of the fairly  
5 34 apportioned administrative costs and rental expenses  
5 35 attributable to each board. Each board shall annually review  
6 1 and adjust its schedule of fees so that, as nearly as  
6 2 possible, projected receipts equal projected costs.

6 3 g. The board of medical examiners, the board of pharmacy  
6 4 examiners, the board of dental examiners, and the board of  
6 5 nursing shall retain their individual executive officers, but  
6 6 are strongly encouraged to share administrative, clerical, and  
6 7 investigative staffs to the greatest extent possible. The  
6 8 department shall submit a status report regarding the sharing  
6 9 of staff under this paragraph to the persons designated in  
6 10 this division of this Act to receive reports by December 1,  
6 11 2005.

6 12 h. For the fiscal year beginning July 1, 2005, the board  
6 13 of nursing may retain and expend 90 percent of the revenues  
6 14 generated from any increase in licensing fees pursuant to  
6 15 section 147.80 for purposes related to the state board's  
6 16 duties, including but not limited to the addition of full-time  
6 17 equivalent positions for program services and investigations.  
6 18 Fees retained by the board pursuant to this lettered paragraph  
6 19 are appropriated to the board of nursing for the purposes  
6 20 described in this paragraph.

6 21 i. For the fiscal year beginning July 1, 2005, and ending  
6 22 June 30, 2006, the board of pharmacy examiners may retain and  
6 23 expend 90 percent of the revenues generated from any increase  
6 24 after July 1, 2005, in licensing fees pursuant to sections  
6 25 124.301 and 147.80, and chapter 155A, for purposes related to  
6 26 the state board's duties, including but not limited to the  
6 27 addition of full-time equivalent positions. Fees retained by  
6 28 the board pursuant to this lettered paragraph are appropriated  
6 29 to the board of pharmacy examiners for the purposes described  
6 30 in this lettered paragraph.

# 6 31 11. RESOURCE MANAGEMENT

6 32 For establishing and sustaining the overall ability of the  
6 33 department to deliver services to the public:

6 34 ..... \$ 1,236,422

6 35 12. The university of Iowa hospitals and clinics under the  
7 1 control of the state board of regents shall not receive  
7 2 indirect costs from the funds appropriated in this section.

7 3 Sec. 3. GAMBLING TREATMENT FUND == APPROPRIATION. In lieu

4 of the appropriation made in section 135.150, subsection 1,  
5 there is appropriated from funds available in the gambling  
6 treatment fund established in the office of the treasurer of  
7 state to the Iowa department of public health for the fiscal  
8 year beginning July 1, 2005, and ending June 30, 2006, the  
9 following amount, or so much thereof as is necessary, to be  
10 used for the purpose designated:  
11 1. Addictive disorders  
12 To be utilized for the benefit of persons with addictions:  
13 ..... \$ 1,690,000  
14 From the moneys appropriated in this section, persons with  
15 a dual diagnosis of substance abuse and gambling addictions  
16 shall be given priority in treatment services.  
17 2. Gambling treatment program  
18 The funds in the gambling treatment fund after the  
19 appropriation in subsection 1, is made are appropriated and  
20 shall be used for funding of administrative costs and to  
21 provide programs which may include, but are not limited to,  
22 outpatient and follow-up treatment for persons affected by  
23 problem gambling, rehabilitation and residential treatment  
24 programs, information and referral services, education and  
25 preventive services, and financial management services.  
26 Sec. 4. VITAL RECORDS. The vital records modernization  
27 project as enacted in 1993 Iowa Acts, chapter 55, section 1,  
28 as amended by 1994 Iowa Acts, chapter 1068, section 8, as  
29 amended by 1997 Iowa Acts, chapter 203, section 9, 1998 Iowa  
30 Acts, chapter 1221, section 9, and 1999 Iowa Acts, chapter  
31 201, section 17, and as continued by 2000 Iowa Acts, chapter  
32 1222, section 10, 2001 Iowa Acts, chapter 182, section 13,  
33 2002 Iowa Acts, Second Extraordinary Session, chapter 1003,  
34 section 104, 2003 Iowa Acts, chapter 175, section 4, and 2004  
35 Iowa Acts, chapter 1175, section 104, shall be extended until  
1 June 30, 2006, and the increased fees to be collected pursuant  
2 to that project shall continue to be collected and are  
3 appropriated to the Iowa department of public health until  
4 June 30, 2006. The department shall submit a report to the  
5 persons designated by this Act to receive reports no later  
6 than September 1, 2005, concerning the status of the  
7 modernization project, the fees collected, and a target date  
8 for the project's completion.  
9 Sec. 5. SCOPE OF PRACTICE REVIEW PROJECT. The scope of  
10 practice review committee pilot project as enacted in 1997  
11 Iowa Acts, chapter 203, section 6, as continued by 2002 Iowa  
12 Acts, Second Extraordinary Session, chapter 1003, section 107,  
13 2003 Iowa Acts, chapter 175, section 5, and 2004 Iowa Acts,  
14 chapter 1175, section 105, shall be extended until June 30,  
15 2006. The Iowa department of public health shall submit an  
16 annual progress report to the governor and the general  
17 assembly by January 15 and shall include any recommendations  
18 for legislative action as a result of review committee  
19 activities. The department may contract with a school or  
20 college of public health in Iowa to assist in implementing the  
21 project.  
22 Sec. 6. AIDS DRUG ASSISTANCE PROGRAM. The Iowa department  
23 of public health and the department of human services may  
24 collaborate to identify additional funding within the funds  
25 available for the fiscal year beginning July 1, 2005, to use  
26 in leveraging the maximum amount of federal funding through  
27 the federal Ryan White Care Act, Title II, AIDS drug  
28 assistance program for AIDS drug assistance program  
29 supplemental drug treatment grants.  
30 COMMISSION OF VETERANS AFFAIRS  
31 Sec. 7. COMMISSION OF VETERANS AFFAIRS. There is  
32 appropriated from the general fund of the state to the  
33 commission of veterans affairs for the fiscal year beginning  
34 July 1, 2005, and ending June 30, 2006, the following amounts,  
35 or so much thereof as is necessary, to be used for the  
1 purposes designated:  
2 1. COMMISSION OF VETERANS AFFAIRS ADMINISTRATION  
3 For salaries, support, maintenance, and miscellaneous  
4 purposes, including the war orphans educational aid fund  
5 established pursuant to chapter 35:  
6 ..... \$ 375,997  
7 Of the funds appropriated in this subsection, \$50,000 shall  
8 be used by the commission to contract with local veterans  
9 affairs commissions and the retired and senior volunteers  
10 program to increase the utilization by eligible individuals of  
11 benefits available through the federal department of veterans  
12 affairs.  
13 The commission of veterans affairs may use the gifts  
14 accepted by the chairperson of the commission of veterans

9 15 affairs, or designee, and other resources available to the  
9 16 commission for use at its Camp Dodge office. The commission  
9 17 shall report annually to the governor and the general assembly  
9 18 on monetary gifts received by the commission for the Camp  
9 19 Dodge office.  
9 20 2. IOWA VETERANS HOME  
9 21 For salaries, support, maintenance, and miscellaneous  
9 22 purposes:  
9 23 ..... \$ 16,309,443  
9 24 a. The Iowa veterans home may use the gifts accepted by  
9 25 the chairperson of the commission of veterans affairs and  
9 26 other resources available to the commission for use at the  
9 27 Iowa veterans home.  
9 28 b. Any Iowa veterans home successor contractor shall not  
9 29 consider employees of a state institution or facility to be  
9 30 new employees for purposes of employee wages, health  
9 31 insurance, or retirement benefits.  
9 32 c. The Iowa veterans home shall operate with a net state  
9 33 general fund appropriation. The amount appropriated in this  
9 34 subsection is the net amount of state moneys projected to be  
9 35 needed for the Iowa veterans home. The purposes of operating  
10 1 with a net state general fund appropriation are to encourage  
10 2 the Iowa veterans home to operate with increased self=  
10 3 sufficiency, to improve quality and efficiency, and to support  
10 4 collaborative efforts among all funders of services available  
10 5 from the Iowa veterans home. Moneys appropriated in this  
10 6 subsection may be used throughout the fiscal year in the  
10 7 manner necessary for purposes of cash flow management, and for  
10 8 purposes of cash flow management the Iowa veterans home may  
10 9 temporarily draw more than the amount appropriated, provided  
10 10 the amount appropriated is not exceeded at the close of the  
10 11 fiscal year.  
10 12 d. Revenues attributable to the Iowa veterans home for the  
10 13 fiscal year beginning July 1, 2005, shall be deposited into  
10 14 the Iowa veterans home account and shall be treated as  
10 15 repayment receipts, including but not limited to all of the  
10 16 following:  
10 17 (1) Federal veterans administration payments.  
10 18 (2) Medical assistance revenue received under chapter  
10 19 249A.  
10 20 (3) Federal Medicare program payments.  
10 21 (4) Moneys received from client financial participation.  
10 22 (5) Other revenues generated from current, new, or  
10 23 expanded services which the Iowa veterans home is authorized  
10 24 to provide.  
10 25 e. For the purposes of allocating the salary adjustment  
10 26 fund moneys appropriated in another Act, the Iowa veterans  
10 27 home shall be considered to be funded entirely with state  
10 28 moneys.  
10 29 f. Notwithstanding section 8.33, up to \$500,000 of the  
10 30 Iowa veterans home revenues that remain unencumbered or  
10 31 unobligated at the close of the fiscal year shall not revert  
10 32 but shall remain available to be used in the succeeding fiscal  
10 33 year.

#### 10 34 HUMAN SERVICES

10 35 Sec. 8. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK  
11 1 GRANT. There is appropriated from the fund created in section  
11 2 8.41 to the department of human services for the fiscal year  
11 3 beginning July 1, 2005, and ending June 30, 2006, from moneys  
11 4 received under the federal temporary assistance for needy  
11 5 families (TANF) block grant pursuant to the federal Personal  
11 6 Responsibility and Work Opportunity Reconciliation Act of  
11 7 1996, Pub. L. No. 104-193, and successor legislation, which  
11 8 are federally appropriated for the federal fiscal years  
11 9 beginning October 1, 2004, and ending September 30, 2005, and  
11 10 beginning October 1, 2005, and ending September 30, 2006, the  
11 11 following amounts, or so much thereof as is necessary, to be  
11 12 used for the purposes designated:  
11 13 If the total amount of federal government appropriations  
11 14 received for Iowa's portion of the TANF block grant amounts  
11 15 for the federal fiscal years beginning October 1, 2004, and  
11 16 ending September 30, 2005, and beginning October 1, 2005, and  
11 17 ending September 30, 2006, is less than \$131,524,959, it is  
11 18 the intent of the general assembly to act expeditiously during  
11 19 the 2006 legislative session to adjust appropriations or take  
11 20 other actions to address the reduced amount. Moneys  
11 21 appropriated in this section shall be used in accordance with  
11 22 the federal law making the funds available, applicable Iowa  
11 23 law, appropriations made from the general fund of the state in  
11 24 this Act for the purpose designated, and administrative rules  
11 25 adopted to implement the federal and Iowa law:

11 26 1. To be credited to the family investment program account  
11 27 and used for assistance under the family investment program  
11 28 under chapter 239B:  
11 29 ..... \$ 45,277,569  
11 30 2. To be credited to the family investment program account  
11 31 and used for the job opportunities and basic skills (JOBS)  
11 32 program, and implementing family investment agreements, in  
11 33 accordance with chapter 239B:  
11 34 ..... \$ 13,412,794  
11 35 3. For field operations:  
12 1 ..... \$ 16,702,033  
12 2 4. For general administration:  
12 3 ..... \$ 3,730,547  
12 4 5. For local administrative costs:  
12 5 ..... \$ 2,181,296  
12 6 6. For state child care assistance:  
12 7 ..... \$ 14,556,560  
12 8 a. Of the funds appropriated in this subsection, \$200,000  
12 9 shall be used for provision of educational opportunities to  
12 10 registered child care home providers in order to improve  
12 11 services and programs offered by this category of providers  
12 12 and to increase the number of providers. The department may  
12 13 contract with institutions of higher education or child care  
12 14 resource and referral centers to provide the educational  
12 15 opportunities. Allowable administrative costs under the  
12 16 contracts shall not exceed 5 percent. The application for a  
12 17 grant shall not exceed two pages in length.  
12 18 b. Funds appropriated in this subsection that remain  
12 19 following the allocation made in paragraph "a" shall be  
12 20 transferred to the child care and development block grant  
12 21 appropriation.  
12 22 7. For mental health and developmental disabilities  
12 23 community services:  
12 24 ..... \$ 4,998,979  
12 25 8. For child and family services:  
12 26 ..... \$ 30,338,815  
12 27 9. For child abuse prevention grants:  
12 28 ..... \$ 250,000  
12 29 10. For pregnancy prevention grants on the condition that  
12 30 family planning services are funded:  
12 31 ..... \$ 2,520,037  
12 32 a. If the department receives approval of a waiver from  
12 33 the centers for Medicare and Medicaid services of the United  
12 34 States department of health and human services to provide  
12 35 family planning services, of the amount appropriated in this  
13 1 subsection, \$533,580 shall be transferred to the appropriation  
13 2 in this Act for child and family services.  
13 3 b. Pregnancy prevention grants shall be awarded to  
13 4 programs in existence on or before July 1, 2005, if the  
13 5 programs are comprehensive in scope and have demonstrated  
13 6 positive outcomes. Grants shall be awarded to pregnancy  
13 7 prevention programs which are developed after July 1, 2005, if  
13 8 the programs are comprehensive in scope and are based on  
13 9 existing models that have demonstrated positive outcomes.  
13 10 Grants shall comply with the requirements provided in 1997  
13 11 Iowa Acts, chapter 208, section 14, subsections 1 and 2,  
13 12 including the requirement that grant programs must emphasize  
13 13 sexual abstinence. Priority in the awarding of grants shall  
13 14 be given to programs that serve areas of the state which  
13 15 demonstrate the highest percentage of unplanned pregnancies of  
13 16 females age 13 or older but younger than age 18 within the  
13 17 geographic area to be served by the grant.  
13 18 c. In addition to the full-time equivalent positions  
13 19 funded in this Act, the department may use a portion of the  
13 20 funds appropriated in this subsection to employ up to an  
13 21 additional 1.00 FTE for the administration of programs  
13 22 specified in this subsection.  
13 23 11. For technology needs and other resources necessary to  
13 24 meet federal welfare reform reporting, tracking, and case  
13 25 management requirements:  
13 26 ..... \$ 1,037,186  
13 27 12. For the healthy opportunities for parents to  
13 28 experience success (HOPES) program administered by the Iowa  
13 29 department of public health to target child abuse prevention:  
13 30 ..... \$ 200,000  
13 31 13. To be credited to the state child care assistance  
13 32 appropriation made in this section to be used for funding of  
13 33 community-based early childhood programs targeted to children  
13 34 from birth through five years of age, developed by community  
13 35 empowerment areas as provided in this subsection:  
14 1 ..... \$ 7,350,000

14 2 a. The department may transfer TANF block grant funding  
14 3 appropriated and allocated in this subsection to the child  
14 4 care and development block grant appropriation in accordance  
14 5 with federal law as necessary to comply with the provisions of  
14 6 this subsection. The funding shall then be provided to  
14 7 community empowerment areas for the fiscal year beginning July  
14 8 1, 2005, in accordance with all of the following:

14 9 (1) The area must be approved as a designated community  
14 10 empowerment area by the Iowa empowerment board.

14 11 (2) The maximum funding amount a community empowerment  
14 12 area is eligible to receive shall be determined by applying  
14 13 the area's percentage of the state's average monthly family  
14 14 investment program population in the preceding fiscal year to  
14 15 the total amount appropriated for fiscal year 2005=2006, from  
14 16 the TANF block grant to fund community-based programs targeted  
14 17 to children from birth through five years of age developed by  
14 18 community empowerment areas.

14 19 (3) A community empowerment area receiving funding shall  
14 20 comply with any federal reporting requirements associated with  
14 21 the use of that funding and other results and reporting  
14 22 requirements established by the Iowa empowerment board. The  
14 23 department shall provide technical assistance in identifying  
14 24 and meeting the federal requirements.

14 25 (4) The availability of funding provided under this  
14 26 subsection is subject to changes in federal requirements and  
14 27 amendments to Iowa law.

14 28 b. The moneys distributed in accordance with this  
14 29 subsection shall be used by communities for the purposes of  
14 30 enhancing quality child care capacity in support of parent  
14 31 capability to obtain or retain employment. The moneys shall  
14 32 be used with a primary emphasis on low-income families and  
14 33 children from birth to five years of age. Moneys shall be  
14 34 provided in a flexible manner to communities, and shall be  
14 35 used to implement strategies identified by the communities to  
15 1 achieve such purposes. In addition to the full-time  
15 2 equivalent positions authorized in this division of this Act,  
15 3 1.00 FTE position is authorized and the department may use  
15 4 funding appropriated in this subsection for provision of  
15 5 technical assistance and other support to communities  
15 6 developing and implementing strategies with moneys distributed  
15 7 in accordance with this subsection.

15 8 c. Moneys that are subject to this subsection which are  
15 9 not distributed to a community empowerment area or otherwise  
15 10 remain unobligated or unexpended at the end of the fiscal year  
15 11 shall revert to the fund created in section 8.41 to be  
15 12 available for appropriation by the general assembly in a  
15 13 subsequent fiscal year.

15 14 14. For a pilot program to be established in a judicial  
15 15 district, selected by the department and the judicial council,  
15 16 to provide employment and support services to delinquent child  
15 17 support obligors as an alternative to commitment to jail as  
15 18 punishment for contempt of court:

15 19 ..... \$ 200,000

15 20 Of the amounts appropriated in this section, \$13,008,841  
15 21 for the fiscal year beginning July 1, 2005, shall be  
15 22 transferred to the appropriation of the federal social  
15 23 services block grant for that fiscal year. If the federal  
15 24 government revises requirements to reduce the amount that may  
15 25 be transferred to the federal social services block grant, the  
15 26 general assembly is to act expeditiously during the 2006  
15 27 legislative session to adjust appropriations or the transfer  
15 28 amount or take other actions to address the reduced amount.

15 29 Eligible funding available under the TANF block grant that  
15 30 is not appropriated or not otherwise expended shall be  
15 31 considered reserved for economic downturns and welfare reform  
15 32 purposes and is subject to further state appropriation to  
15 33 support families in their movement toward self-sufficiency.

15 34 Federal funding received that is designated for activities  
15 35 supporting marriage or two-parent families is appropriated to  
16 1 the Iowa marriage initiative grant fund created in section  
16 2 234.45.

16 3 Sec. 9. FAMILY INVESTMENT PROGRAM ACCOUNT.

16 4 1. Moneys credited to the family investment program (FIP)  
16 5 account for the fiscal year beginning July 1, 2005, and ending  
16 6 June 30, 2006, shall be used in accordance with the following  
16 7 requirements:

16 8 a. The department of human services shall provide  
16 9 assistance in accordance with chapter 239B.

16 10 b. The department shall continue the special needs program  
16 11 under FIP.

16 12 c. The department shall continue to comply with federal

16 13 welfare reform data requirements pursuant to the  
16 14 appropriations made for that purpose.

16 15 2. The department may use a portion of the moneys credited  
16 16 to the FIP account under this section, as necessary for  
16 17 salaries, support, maintenance, and miscellaneous purposes.

16 18 3. The department may transfer funds in accordance with  
16 19 section 8.39, either federal or state, to or from the child  
16 20 care appropriations made for the fiscal year beginning July 1,  
16 21 2005, if the department deems this would be a more effective  
16 22 method of paying for JOBS program child care, to maximize  
16 23 federal funding, or to meet federal maintenance of effort  
16 24 requirements.

16 25 4. Moneys appropriated in this division of this Act and  
16 26 credited to the FIP account for the fiscal year beginning July  
16 27 1, 2005, and ending June 30, 2006, are allocated as follows:

16 28 a. For the family development and self-sufficiency grant  
16 29 program as provided under section 217.12:

16 30 ..... \$ 5,133,042

16 31 (1) Of the funds allocated for the family development and  
16 32 self-sufficiency grant program in this lettered paragraph, not  
16 33 more than 5 percent of the funds shall be used for the  
16 34 administration of the grant program.

16 35 (2) Based upon the annual evaluation report concerning  
17 1 each grantee funded by previously appropriated funds and  
17 2 through the solicitation of additional grant proposals, the  
17 3 family development and self-sufficiency council may use the  
17 4 allocated funds to renew or expand existing grants or award  
17 5 new grants. In utilizing the funding allocated in this  
17 6 lettered paragraph, the council shall give consideration, in  
17 7 addition to other criteria established by the council, to a  
17 8 grantee's intended use of local funds with a grant and to  
17 9 whether approval of a grant proposal would expand the  
17 10 availability of the program's services.

17 11 (3) The department may continue to implement the family  
17 12 development and self-sufficiency grant program statewide  
17 13 during FY 2005=2006.

17 14 b. For the diversion subaccount of the FIP account:

17 15 ..... \$ 2,814,000

17 16 (1) Moneys allocated to the diversion subaccount shall be  
17 17 used to implement FIP diversion statewide while continuing the  
17 18 local flexibility in program design. A family that meets  
17 19 income eligibility requirements for FIP may receive a one-time  
17 20 payment to remedy an immediate need in order to permit the  
17 21 family to maintain self-sufficiency without providing ongoing  
17 22 cash assistance. A FIP participant family may receive  
17 23 diversion assistance to overcome barriers to obtaining  
17 24 employment and to assist in stabilizing employment in order to  
17 25 increase the likelihood of the family leaving FIP more  
17 26 quickly. The department shall assess and screen individuals  
17 27 who would most likely benefit from the assistance. The  
17 28 department may adopt additional eligibility criteria as  
17 29 necessary for compliance with federal law and for screening  
17 30 those families who would be most likely to become eligible for  
17 31 FIP if diversion incentives would not be provided.

17 32 (2) A portion of the moneys allocated for the subaccount  
17 33 may be used for field operations salaries, data management  
17 34 system development, and implementation costs and support  
17 35 deemed necessary by the director of human services in order to  
18 1 administer the FIP diversion program.

18 2 (3) Of the funds allocated in this lettered paragraph, not  
18 3 more than \$250,000 shall be used to develop or continue  
18 4 community-level parental obligation pilot projects. The  
18 5 requirements established under 2001 Iowa Acts, chapter 191,  
18 6 section 3, subsection 5, paragraph "c", subparagraph (3),  
18 7 shall remain applicable to the parental obligation pilot  
18 8 projects for fiscal year 2005=2006.

18 9 (4) In addition to the full-time equivalent positions  
18 10 authorized in this division of this Act, 1.00 FTE is  
18 11 authorized for purposes of diversion.

18 12 c. For the food stamp employment and training program:

18 13 ..... \$ 64,278

18 14 5. Of the child support collections assigned under FIP, an  
18 15 amount equal to the federal share of support collections shall  
18 16 be credited to the child support recovery appropriation. Of  
18 17 the remainder of the assigned child support collections  
18 18 received by the child support recovery unit, a portion shall  
18 19 be credited to the FIP account and a portion may be used to  
18 20 increase recoveries.

18 21 6. The department may adopt emergency administrative rules  
18 22 for the family investment, food stamp, and medical assistance  
18 23 programs, if necessary, to comply with federal requirements.



18 24 7. The department may continue the initiative to  
18 25 streamline and simplify the employer verification process for  
18 26 applicants, participants, and employers in the administration  
18 27 of the department's programs. The department may contract  
18 28 with companies collecting data from employers when the  
18 29 information is needed in the administration of these programs.  
18 30 The department may limit the availability of the initiative on  
18 31 the basis of geographic area or number of individuals.

18 32 Sec. 10. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is  
18 33 appropriated from the general fund of the state to the  
18 34 department of human services for the fiscal year beginning  
18 35 July 1, 2005, and ending June 30, 2006, the following amount,  
19 1 or so much thereof as is necessary, to be used for the purpose  
19 2 designated:

19 3 To be credited to the family investment program (FIP)  
19 4 account and used for family investment program assistance  
19 5 under chapter 239B:

19 6 ..... \$ 40,535,768

19 7 1. The department of workforce development, in  
19 8 consultation with the department of human services, shall  
19 9 continue to utilize recruitment and employment practices to  
19 10 include former and current FIP recipients.

19 11 2. The department of human services shall continue to work  
19 12 with the department of workforce development and local  
19 13 community collaborative efforts to provide support services  
19 14 for FIP participants.

19 15 3. Of the funds appropriated in this section, \$9,553,533  
19 16 is allocated for the JOBS program.

19 17 4. The department shall continue to work with religious  
19 18 organizations and other charitable institutions to increase  
19 19 the availability of host homes, referred to as second chance  
19 20 homes or other living arrangements under the federal Personal  
19 21 Responsibility and Work Opportunity Reconciliation Act of  
19 22 1996, Pub. L. No. 104-193, } 103, and successor legislation.  
19 23 The purpose of the homes or arrangements is to provide a  
19 24 supportive and supervised living arrangement for minor parents  
19 25 receiving assistance under the family investment program who,  
19 26 under chapter 239B, may receive assistance while living in an  
19 27 alternative setting other than with their parent or legal  
19 28 guardian.

19 29 Sec. 11. CHILD SUPPORT RECOVERY. There is appropriated  
19 30 from the general fund of the state to the department of human  
19 31 services for the fiscal year beginning July 1, 2005, and  
19 32 ending June 30, 2006, the following amount, or so much thereof  
19 33 as is necessary, to be used for the purposes designated:

19 34 For child support recovery, including salaries, support,  
19 35 maintenance, and miscellaneous purposes:

20 1 ..... \$ 7,896,317

20 2 1. The director of human services, within the limitations  
20 3 of the moneys appropriated in this section, or moneys  
20 4 transferred from the family investment program account for  
20 5 this purpose, shall establish new positions and add employees  
20 6 to the child support recovery unit if the director determines  
20 7 that both the current and additional employees together can  
20 8 reasonably be expected to maintain or increase net state  
20 9 revenue at or beyond the budgeted level.

20 10 2. Nonpublic assistance application fees and other user  
20 11 fees received by the child support recovery unit are  
20 12 appropriated and shall be used for the purposes of the child  
20 13 support recovery program. The director of human services may  
20 14 add positions within the limitations of the amount  
20 15 appropriated for salaries and support for the positions.

20 16 3. The director of human services, in consultation with  
20 17 the department of management and the legislative fiscal  
20 18 committee, is authorized to receive and deposit state child  
20 19 support incentive earnings in the manner specified under  
20 20 applicable federal requirements.

20 21 4. a. The director of human services may establish new  
20 22 positions and add state employees to the child support  
20 23 recovery unit or contract for delivery of services if the  
20 24 director determines the employees are necessary to replace  
20 25 county-funded positions eliminated due to termination,  
20 26 reduction, or nonrenewal of a chapter 28E contract. However,  
20 27 the director must also determine that the resulting increase  
20 28 in the state share of child support recovery incentives  
20 29 exceeds the cost of the positions or contract, the positions  
20 30 or contract is necessary to ensure continued federal funding  
20 31 of the program, or the new positions or contract can  
20 32 reasonably be expected to recover at least twice the amount of  
20 33 money necessary to pay the salaries and support for the new  
20 34 positions or the contract will generate at least 200 percent

20 35 of the cost of the contract.

21 1 b. Employees in full-time positions that transition from  
21 2 county government to state government employment under this  
21 3 subsection are exempt from testing, selection, and appointment  
21 4 provisions of chapter 19A and from the provisions of  
21 5 collective bargaining agreements relating to the filling of  
21 6 vacant positions.

21 7 5. Surcharges paid by obligors and received by the unit as  
21 8 a result of the referral of support delinquency by the child  
21 9 support recovery unit to any private collection agency are  
21 10 appropriated to the department and shall be used to pay the  
21 11 costs of any contracts with the collection agencies.

21 12 6. The department shall expend up to \$31,000, including  
21 13 federal financial participation, for the fiscal year beginning  
21 14 July 1, 2005, for a child support public awareness campaign.  
21 15 The department and the office of the attorney general shall  
21 16 cooperate in continuation of the campaign. The public  
21 17 awareness campaign shall emphasize, through a variety of media  
21 18 activities, the importance of maximum involvement of both  
21 19 parents in the lives of their children as well as the  
21 20 importance of payment of child support obligations.

21 21 7. Federal access and visitation grant moneys shall be  
21 22 issued directly to private not-for-profit agencies that  
21 23 provide services designed to increase compliance with the  
21 24 child access provisions of court orders, including but not  
21 25 limited to neutral visitation site and mediation services.

21 26 Sec. 12. MEDICAL ASSISTANCE. There is appropriated from  
21 27 the general fund of the state to the department of human  
21 28 services for the fiscal year beginning July 1, 2005, and  
21 29 ending June 30, 2006, the following amount, or so much thereof  
21 30 as is necessary, to be used for the purpose designated:

21 31 For medical assistance reimbursement and associated costs  
21 32 as specifically provided in the reimbursement methodologies in  
21 33 effect on June 30, 2005, except as otherwise expressly  
21 34 authorized by law, including reimbursement for abortion  
21 35 services, which shall be available under the medical  
22 1 assistance program only for those abortions which are  
22 2 medically necessary:  
22 3 ..... \$426,765,430

22 4 1. Medically necessary abortions are those performed under  
22 5 any of the following conditions:

22 6 a. The attending physician certifies that continuing the  
22 7 pregnancy would endanger the life of the pregnant woman.

22 8 b. The attending physician certifies that the fetus is  
22 9 physically deformed, mentally deficient, or afflicted with a  
22 10 congenital illness.

22 11 c. The pregnancy is the result of a rape which is reported  
22 12 within 45 days of the incident to a law enforcement agency or  
22 13 public or private health agency which may include a family  
22 14 physician.

22 15 d. The pregnancy is the result of incest which is reported  
22 16 within 150 days of the incident to a law enforcement agency or  
22 17 public or private health agency which may include a family  
22 18 physician.

22 19 e. Any spontaneous abortion, commonly known as a  
22 20 miscarriage, if not all of the products of conception are  
22 21 expelled.

22 22 2. Notwithstanding section 8.39, the department may  
22 23 transfer funds appropriated in this section to a separate  
22 24 account established in the department's case management unit  
22 25 for expenditures required to provide case management services  
22 26 for mental health, mental retardation, and developmental  
22 27 disabilities services under medical assistance which are  
22 28 jointly funded by the state and county, pending final  
22 29 settlement of the expenditures. Funds received by the case  
22 30 management unit in settlement of the expenditures shall be  
22 31 used to replace the transferred funds and are available for  
22 32 the purposes for which the funds were appropriated in this  
22 33 section.

22 34 3. a. The county of legal settlement shall be billed for  
22 35 50 percent of the nonfederal share of the cost of case  
23 1 management provided for adults, day treatment, and partial  
23 2 hospitalization in accordance with sections 249A.26 and  
23 3 249A.27, and 100 percent of the nonfederal share of the cost  
23 4 of care for adults which is reimbursed under a federally  
23 5 approved home and community-based services waiver that would  
23 6 otherwise be approved for provision in an intermediate care  
23 7 facility for persons with mental retardation (ICFMR), provided  
23 8 under the medical assistance program. The state shall have  
23 9 responsibility for the remaining 50 percent of the nonfederal  
23 10 share of the cost of case management provided for adults, day

23 11 treatment, and partial hospitalization. For persons without a  
23 12 county of legal settlement, the state shall have  
23 13 responsibility for 100 percent of the nonfederal share of the  
23 14 costs of case management provided for adults, day treatment,  
23 15 partial hospitalization, and the home and community-based  
23 16 services waiver. The case management services specified in  
23 17 this subsection shall be billed to a county only if the  
23 18 services are provided outside of a managed care contract.

23 19 b. The state shall pay the entire nonfederal share of the  
23 20 costs for case management services provided to persons 17  
23 21 years of age and younger who are served in a medical  
23 22 assistance home and community-based services waiver program  
23 23 for persons with mental retardation.

23 24 c. Medical assistance funding for case management services  
23 25 for eligible persons 17 years of age and younger shall also be  
23 26 provided to persons residing in counties with child welfare  
23 27 decategorization projects implemented in accordance with  
23 28 section 232.188, provided these projects have included these  
23 29 persons in their service plan and the decategorization project  
23 30 county is willing to provide the nonfederal share of costs.

23 31 d. When paying the necessary and legal expenses of ICFMR  
23 32 services, the cost payment requirements of section 222.60  
23 33 shall be considered fulfilled when payment is made in  
23 34 accordance with the medical assistance payment rates  
23 35 established for ICFMRs by the department and the state or a  
24 1 county of legal settlement is not obligated for any amount in  
24 2 excess of the rates.

24 3 e. Unless a county has paid or is paying for the  
24 4 nonfederal share of the cost of a person's home and community=  
24 5 based waiver services or ICFMR placement under the county's  
24 6 mental health, mental retardation, and developmental  
24 7 disabilities services fund, or unless a county of legal  
24 8 settlement would become liable for the costs of services at  
24 9 the ICFMR level of care for a person due to the person  
24 10 reaching the age of majority, the state shall pay the  
24 11 nonfederal share of the costs of an eligible person's services  
24 12 under the home and community-based waiver for persons with  
24 13 brain injury.

24 14 4. The department shall utilize not more than \$60,000 of  
24 15 the funds appropriated in this section to continue the  
24 16 AIDS/HIV health insurance premium payment program as  
24 17 established in 1992 Iowa Acts, Second Extraordinary Session,  
24 18 chapter 1001, section 409, subsection 6. Of the funds  
24 19 allocated in this subsection, not more than \$5,000 may be  
24 20 expended for administrative purposes.

24 21 5. Of the funds appropriated to the Iowa department of  
24 22 public health for addictive disorders, \$950,000 for the fiscal  
24 23 year beginning July 1, 2005, shall be transferred to the  
24 24 department of human services for an integrated substance abuse  
24 25 managed care system.

24 26 6. In administering the medical assistance home and  
24 27 community-based services waivers, the total number of openings  
24 28 at any one time shall be limited to the number approved for a  
24 29 waiver by the secretary of the United States department of  
24 30 health and human services. The openings shall be available on  
24 31 a first-come, first-served basis.

24 32 7. The department of human services, in consultation with  
24 33 the Iowa department of public health and the department of  
24 34 education, shall continue the program to utilize the early and  
24 35 periodic screening, diagnosis, and treatment (EPSDT) funding  
25 1 under medical assistance, to the extent possible, to implement  
25 2 the screening component of the EPSDT program through the  
25 3 school system. The department may enter into contracts to  
25 4 utilize maternal and child health centers, the public health  
25 5 nursing program, or school nurses in implementing this  
25 6 provision.

25 7 8. If the federal centers for Medicare and Medicaid  
25 8 services approves a waiver request from the department, the  
25 9 department shall provide a period of 12 months of guaranteed  
25 10 eligibility for medical assistance family planning services  
25 11 only, regardless of the change in circumstances of a woman who  
25 12 was a medical assistance recipient when a pregnancy ended.  
25 13 The department shall also provide this guaranteed eligibility  
25 14 to women who are at least 13 years of age but less than 45  
25 15 years of age with countable income at or below 200 percent of  
25 16 the federal poverty level.

25 17 9. a. The department shall aggressively pursue options  
25 18 for providing medical assistance or other assistance to  
25 19 individuals with special needs who become ineligible to  
25 20 continue receiving services under the early and periodic  
25 21 screening, diagnosis, and treatment program under the medical

25 22 assistance program due to becoming 21 years of age, who have  
25 23 been approved for additional assistance through the  
25 24 department's exception to policy provisions, but who have  
25 25 health care needs in excess of the funding available through  
25 26 the exception to policy process.

25 27 b. Of the funds appropriated in this section, \$100,000  
25 28 shall be used for participation in one or more pilot projects  
25 29 operated by a private provider to allow the individual or  
25 30 individuals to receive service in the community in accordance  
25 31 with principles established in *Olmstead v. L.C.*, 527 U.S. 581  
25 32 (1999), for the purpose of providing medical assistance or  
25 33 other assistance to individuals with special needs who become  
25 34 ineligible to continue receiving services under the early and  
25 35 periodic screening, diagnosis, and treatment program under the  
26 1 medical assistance program due to becoming 21 years of age,  
26 2 who have been approved for additional assistance through the  
26 3 department's exception to policy provisions, but who have  
26 4 health care needs in excess of the funding available through  
26 5 the exception to the policy provisions.

26 6 10. The Iowa medical assistance drug utilization review  
26 7 commission shall submit copies of the commission's annual  
26 8 review, including facts and findings, of the drugs on the  
26 9 department's prior authorization list to the department and to  
26 10 the members of the joint appropriations subcommittee on health  
26 11 and human services.

26 12 11. The department shall assist school districts in  
26 13 applying for direct claiming under the medical assistance  
26 14 program for funding of school district nursing services for  
26 15 students.

26 16 12. The department shall extend coverage under the medical  
26 17 assistance program for youth aging out of the foster care  
26 18 system up to the age of 21.

26 19 13. Of the funds available in this section, up to  
26 20 \$3,037,789 may be transferred to the field operations or  
26 21 general administration appropriations in this Act for  
26 22 implementation and operational costs associated with Part D of  
26 23 the federal Medicare Prescription Drug, Improvement, and  
26 24 Modernization Act of 2003, Pub. L. No. 108-173.

26 25 14. If legislation is enacted by the Eighty-first General  
26 26 Assembly, 2005 session, generating savings in the medical  
26 27 assistance program based on recommendations made by the  
26 28 department of human services, up to \$10 million of the actual  
26 29 savings from the enacted legislation shall be transferred from  
26 30 the appropriation made in this section to the senior living  
26 31 trust fund established in section 249H.4.

26 32 15. The department shall expand the health insurance data  
26 33 match program as directed pursuant to 2004 Iowa Acts, chapter  
26 34 1175, section 119, subsection 1, paragraph "c", to also match  
26 35 insureds against a listing of hawk-i program enrollees. The  
27 1 information submitted under the expansion shall be used solely  
27 2 to identify third-party payors for hawk-i program enrollees  
27 3 and shall be kept confidential. The department, in  
27 4 consultation with insurance carriers, shall adopt rules to  
27 5 implement this subsection. The department may adopt emergency  
27 6 rules to implement this subsection and insurance carriers  
27 7 shall begin providing the information required upon adoption  
27 8 of the rules.

27 9 Sec. 13. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There  
27 10 is appropriated from the general fund of the state to the  
27 11 department of human services for the fiscal year beginning  
27 12 July 1, 2005, and ending June 30, 2006, the following amount,  
27 13 or so much thereof as is necessary, to be used for the purpose  
27 14 designated:

27 15 For administration of the health insurance premium payment  
27 16 program, including salaries, support, maintenance, and  
27 17 miscellaneous purposes:

27 18 ..... \$ 612,574

27 19 Sec. 14. MEDICAL CONTRACTS. There is appropriated from  
27 20 the general fund of the state to the department of human  
27 21 services for the fiscal year beginning July 1, 2005, and  
27 22 ending June 30, 2006, the following amount, or so much thereof  
27 23 as is necessary, to be used for the purpose designated:

27 24 For medical contracts, including salaries, support,  
27 25 maintenance, and miscellaneous purposes:

27 26 ..... \$ 15,911,985

27 27 In any managed care contract for mental health or substance  
27 28 abuse services entered into or extended by the department on  
27 29 or after July 1, 2005, the request for proposals shall provide  
27 30 for coverage of dual diagnosis mental health and substance  
27 31 abuse treatment provided at the state mental health institute  
27 32 at Mount Pleasant. To the extent possible, the department

27 33 shall also amend any such contract existing on July 1, 2005,  
27 34 to provide for such coverage.

27 35 The department, in conjunction with other state  
28 1 departments, shall develop a tool to uniformly assess the  
28 2 long-term care needs of frail and older Iowans and persons  
28 3 with disabilities. Concurrently, the department shall develop  
28 4 a system to identify the long-term care resources available to  
28 5 meet those needs, including home and community-based services,  
28 6 to identify and train appropriate professionals to perform  
28 7 assessments, and to identify accessible long-term care  
28 8 services available to frail and older Iowans and persons with  
28 9 disabilities.

28 10 Sec. 15. STATE SUPPLEMENTARY ASSISTANCE.

28 11 1. There is appropriated from the general fund of the  
28 12 state to the department of human services for the fiscal year  
28 13 beginning July 1, 2005, and ending June 30, 2006, the  
28 14 following amount, or so much thereof as is necessary, to be  
28 15 used for the purposes designated:

28 16 For state supplementary assistance:

28 17 ..... \$ 19,926,447

28 18 2. The department shall increase the personal needs  
28 19 allowance for residents of residential care facilities by the  
28 20 same percentage and at the same time as federal supplemental  
28 21 security income and federal social security benefits are  
28 22 increased due to a recognized increase in the cost of living.  
28 23 The department may adopt emergency rules to implement this  
28 24 subsection.

28 25 3. If during the fiscal year beginning July 1, 2005, the  
28 26 department projects that state supplementary assistance  
28 27 expenditures for a calendar year will not meet the federal  
28 28 pass-along requirement specified in Title XVI of the federal  
28 29 Social Security Act, section 1618, as codified in 42 U.S.C. }  
28 30 1382g, the department may take actions including but not  
28 31 limited to increasing the personal needs allowance for  
28 32 residential care facility residents and making programmatic  
28 33 adjustments or upward adjustments of the residential care  
28 34 facility or in-home health-related care reimbursement rates  
28 35 prescribed in this division of this Act to ensure that federal  
29 1 requirements are met. In addition, the department may make  
29 2 other programmatic and rate adjustments necessary to remain  
29 3 within the amount appropriated in this section while ensuring  
29 4 compliance with federal requirements. The department may  
29 5 adopt emergency rules to implement the provisions of this  
29 6 subsection.

29 7 Sec. 16. CHILDREN'S HEALTH INSURANCE PROGRAM. There is  
29 8 appropriated from the general fund of the state to the  
29 9 department of human services for the fiscal year beginning  
29 10 July 1, 2005, and ending June 30, 2006, the following amount,  
29 11 or so much thereof as is necessary, to be used for the purpose  
29 12 designated:

29 13 For maintenance of the healthy and well kids in Iowa (hawk=  
29 14 i) program pursuant to chapter 514I for receipt of federal  
29 15 financial participation under Title XXI of the federal Social  
29 16 Security Act, which creates the state children's health  
29 17 insurance program:

29 18 ..... \$ 15,641,968

29 19 1. The department may transfer funds appropriated in this  
29 20 section to be used for the purpose of expanding health care  
29 21 coverage to children under the medical assistance program.  
29 22 The department shall provide periodic updates to the general  
29 23 assembly of expenditures of funds appropriated in this  
29 24 section.

29 25 2. Moneys in the hawk=i trust fund are appropriated to the  
29 26 department of human services and shall be used to offset any  
29 27 program costs for the fiscal year beginning July 1, 2005, and  
29 28 ending June 30, 2006.

29 29 Sec. 17. CHILD CARE ASSISTANCE. There is appropriated  
29 30 from the general fund of the state to the department of human  
29 31 services for the fiscal year beginning July 1, 2005, and  
29 32 ending June 30, 2006, the following amount, or so much thereof  
29 33 as is necessary, to be used for the purpose designated:

29 34 For child care programs:

29 35 ..... \$ 5,050,752

30 1 1. a. Of the funds appropriated in this section,  
30 2 \$4,525,228 shall be used for the state child care assistance  
30 3 program in accordance with section 237A.13.

30 4 b. During the 2005=2006, fiscal year, the moneys deposited  
30 5 in the child care credit fund created in section 237A.28 are  
30 6 appropriated to the department to be used for state child care  
30 7 assistance in accordance with section 237A.13, in addition to  
30 8 the moneys allocated for that purpose in paragraph "a".

30 9 c. The department shall adopt rules to increase the upper  
30 10 income eligibility requirement for employed families under the  
30 11 state child care assistance program from 140 percent of the  
30 12 federal poverty level to 145 percent of the federal poverty  
30 13 level. The department may adopt emergency rules to implement  
30 14 this paragraph.

30 15 2. Nothing in this section shall be construed or is  
30 16 intended as, or shall imply, a grant of entitlement for  
30 17 services to persons who are eligible for assistance due to an  
30 18 income level consistent with the waiting list requirements of  
30 19 section 237A.13. Any state obligation to provide services  
30 20 pursuant to this section is limited to the extent of the funds  
30 21 appropriated in this section.

30 22 3. Of the funds appropriated in this section, \$525,524 is  
30 23 allocated for the statewide program for child care resource  
30 24 and referral services under section 237A.26.

30 25 4. The department may use any of the funds appropriated in  
30 26 this section as a match to obtain federal funds for use in  
30 27 expanding child care assistance and related programs. For the  
30 28 purpose of expenditures of state and federal child care  
30 29 funding, funds shall be considered obligated at the time  
30 30 expenditures are projected or are allocated to the  
30 31 department's service areas. Projections shall be based on  
30 32 current and projected caseload growth, current and projected  
30 33 provider rates, staffing requirements for eligibility  
30 34 determination and management of program requirements including  
30 35 data systems management, staffing requirements for  
31 1 administration of the program, contractual and grant  
31 2 obligations and any transfers to other state agencies, and  
31 3 obligations for decategorization or innovation projects.

31 4 5. A portion of the state match for the federal child care  
31 5 and development block grant shall be provided through the  
31 6 state general fund appropriation for child development grants  
31 7 and other programs for at-risk children in section 279.51.

31 8 Sec. 18. JUVENILE INSTITUTIONS. There is appropriated  
31 9 from the general fund of the state to the department of human  
31 10 services for the fiscal year beginning July 1, 2005, and  
31 11 ending June 30, 2006, the following amounts, or so much  
31 12 thereof as is necessary, to be used for the purposes  
31 13 designated:

31 14 1. For operation of the Iowa juvenile home at Toledo and  
31 15 for salaries, support, maintenance:

31 16 ..... \$ 6,201,283

31 17 2. For operation of the state training school at Eldora  
31 18 and for salaries, support, maintenance:

31 19 ..... \$ 9,830,692

31 20 3. During the fiscal year beginning July 1, 2005, the  
31 21 population levels at the state juvenile institutions shall not  
31 22 exceed the population guidelines established under 1990 Iowa  
31 23 Acts, chapter 1239, section 21, as adjusted for subsequent  
31 24 changes in capacity at the institutions.

31 25 4. A portion of the moneys appropriated in this section  
31 26 shall be used by the state training school and by the Iowa  
31 27 juvenile home for grants for adolescent pregnancy prevention  
31 28 activities at the institutions in the fiscal year beginning  
31 29 July 1, 2005.

31 30 5. Within the amounts appropriated in this section, the  
31 31 department may transfer funds as necessary to best fulfill the  
31 32 needs of the institutions provided for in the appropriation.

31 33 Sec. 19. ADOPTION SUBSIDY.

31 34 1. There is appropriated from the general fund of the  
31 35 state to the department of human services for the fiscal year  
32 1 beginning July 1, 2005, and ending June 30, 2006, the  
32 2 following amount, or so much thereof as is necessary, to be  
32 3 used for the purpose designated:

32 4 For adoption subsidy payments and services:

32 5 ..... \$ 32,275,732

32 6 2. The department shall continue to make adoption  
32 7 presubsidy and adoption subsidy payments to adoptive parents  
32 8 at the beginning of the month for the current month.

32 9 3. The department may transfer funds appropriated in this  
32 10 section to the appropriations in this Act for child and family  
32 11 services to be used for adoptive family recruitment and other  
32 12 services to achieve adoption.

32 13 4. Federal funds received by the state during the fiscal  
32 14 year beginning July 1, 2005, as the result of the expenditure  
32 15 of state funds during a previous state fiscal year for a  
32 16 service or activity funded under this section, are  
32 17 appropriated to the department to be used as additional  
32 18 funding for the services and activities funded under this  
32 19 section. Notwithstanding section 8.33, moneys received in

32 20 accordance with this subsection that remain unencumbered or  
32 21 unobligated at the close of the fiscal year shall not revert  
32 22 to any fund but shall remain available for expenditure for the  
32 23 purposes designated until the close of the succeeding fiscal  
32 24 year.

32 25 Sec. 20. CHILD AND FAMILY SERVICES.

32 26 1. There is appropriated from the general fund of the  
32 27 state to the department of human services for the fiscal year  
32 28 beginning July 1, 2005, and ending June 30, 2006, the  
32 29 following amount, or so much thereof as is necessary, to be  
32 30 used for the purpose designated:

32 31 For child and family services:

32 32 ..... \$ 78,600,191

32 33 In order to address a reduction of \$5,000,000 from the  
32 34 amount allocated under this appropriation in prior years for  
32 35 purposes of juvenile delinquent graduated sanction services,  
33 1 up to \$5,000,000 of the amount of federal temporary assistance  
33 2 for needy families block grant funding appropriated in this  
33 3 division of this Act for child and family services, is  
33 4 allocated for purposes of juvenile delinquent graduated  
33 5 sanction services.

33 6 2. The department may transfer funds appropriated in this  
33 7 section as necessary to pay the nonfederal costs of services  
33 8 reimbursed under medical assistance or the family investment  
33 9 program which are provided to children who would otherwise  
33 10 receive services paid under the appropriation in this section.  
33 11 The department may transfer funds appropriated in this section  
33 12 to the appropriations in this division of this Act for general  
33 13 administration and for field operations for resources  
33 14 necessary to implement and operate the services funded in this  
33 15 section.

33 16 3. a. Of the funds appropriated in this section, up to  
33 17 \$35,883,519 is allocated as the statewide expenditure target  
33 18 under section 232.143 for group foster care maintenance and  
33 19 services.

33 20 b. If at any time after September 30, 2005, annualization  
33 21 of a service area's current expenditures indicates a service  
33 22 area is at risk of exceeding its group foster care expenditure  
33 23 target under section 232.143 by more than 5 percent, the  
33 24 department and juvenile court services shall examine all group  
33 25 foster care placements in that service area in order to  
33 26 identify those which might be appropriate for termination. In  
33 27 addition, any aftercare services believed to be needed for the  
33 28 children whose placements may be terminated shall be  
33 29 identified. The department and juvenile court services shall  
33 30 initiate action to set dispositional review hearings for the  
33 31 placements identified. In such a dispositional review  
33 32 hearing, the juvenile court shall determine whether needed  
33 33 aftercare services are available and whether termination of  
33 34 the placement is in the best interest of the child and the  
33 35 community.

34 1 c. The department may transfer funds appropriated in this  
34 2 section to the appropriation in this Act for medical  
34 3 assistance as the state match for services provided for  
34 4 children with serious emotional disorders who would otherwise  
34 5 be subject to a child in need of assistance adjudication. The  
34 6 amount of the group foster care allocation in this subsection  
34 7 shall be adjusted accordingly to reflect any resulting  
34 8 reduction in group foster care utilization.

34 9 d. Of the funds allocated in this subsection, \$1,465,009  
34 10 is allocated as the state match funding for 50 highly  
34 11 structured juvenile program beds. If the number of beds  
34 12 provided for in this lettered paragraph is not utilized, the  
34 13 remaining funds allocated may be used for group foster care.

34 14 4. In accordance with the provisions of section 232.188,  
34 15 the department shall continue the program to decategorize  
34 16 child welfare services funding. Of the funds appropriated in  
34 17 this section, \$3,000,000 is allocated specifically for  
34 18 expenditure through the decategorization of child welfare  
34 19 funding projects established pursuant to section 232.188.  
34 20 Notwithstanding section 8.33, moneys allocated in this  
34 21 subsection that remain unencumbered or unobligated at the  
34 22 close of the fiscal year shall not revert but shall remain  
34 23 available for expenditure for the purposes designated until  
34 24 the close of the succeeding fiscal year. The department shall  
34 25 continue its practice of providing strong support for Iowa's  
34 26 nationally recognized initiative of decategorization of child  
34 27 welfare funding.

34 28 5. Of the funds appropriated in this section, up to  
34 29 \$915,892 is allocated for additional funding of the family  
34 30 preservation program.

34 31 6. The department shall continue the goal that not more  
34 32 than 15 percent of the children placed in foster care funded  
34 33 under the federal Social Security Act, Title IV=E, may be  
34 34 placed in foster care for a period of more than 24 months.

34 35 7. A portion of the funding appropriated in this section  
35 1 may be used for emergency family assistance to provide other  
35 2 resources required for a family participating in a family  
35 3 preservation or reunification project to stay together or to  
35 4 be reunified.

35 5 8. Notwithstanding section 234.35, subsection 1, for the  
35 6 fiscal year beginning July 1, 2005, state funding for shelter  
35 7 care paid pursuant to section 234.35, subsection 1, paragraph  
35 8 "h", shall be limited to \$7,252,955. Notwithstanding section  
35 9 8A.311, the department may enter into contracts with shelter  
35 10 care providers as necessary to maintain the availability of  
35 11 shelter care services for children in all areas of the state.

35 12 9. Federal funds received by the state during the fiscal  
35 13 year beginning July 1, 2005, as the result of the expenditure  
35 14 of state funds appropriated during a previous state fiscal  
35 15 year for a service or activity funded under this section, are  
35 16 appropriated to the department to be used as additional  
35 17 funding for services and purposes provided for under this  
35 18 section. Notwithstanding section 8.33, moneys received in  
35 19 accordance with this subsection that remain unencumbered or  
35 20 unobligated at the close of the fiscal year shall not revert  
35 21 to any fund but shall remain available for the purposes  
35 22 designated until the close of the succeeding fiscal year.

35 23 10. Of the moneys appropriated in this section, not more  
35 24 than \$442,100 is allocated to provide clinical assessment  
35 25 services as necessary to continue funding of children's  
35 26 rehabilitation services under medical assistance in accordance  
35 27 with federal law and requirements. The funding allocated is  
35 28 the amount projected to be necessary for providing the  
35 29 clinical assessment services.

35 30 11. Of the funding appropriated in this section,  
35 31 \$3,696,285 shall be used for protective child care assistance.

35 32 12. Of the moneys appropriated in this section, up to  
35 33 \$2,859,851 is allocated for the payment of the expenses of  
35 34 court-ordered services provided to juveniles which are a  
35 35 charge upon the state pursuant to section 232.141, subsection

36 1 4. Of the amount allocated in this subsection, up to  
36 2 \$1,431,597 shall be made available to provide school-based  
36 3 supervision of children adjudicated under chapter 232, of  
36 4 which not more than \$15,000 may be used for the purpose of  
36 5 training. A portion of the cost of each school-based liaison  
36 6 officer shall be paid by the school district or other funding  
36 7 source as approved by the chief juvenile court officer.

36 8 a. Notwithstanding section 232.141 or any other provision  
36 9 of law to the contrary, the amount allocated in this  
36 10 subsection shall be distributed to the judicial districts as  
36 11 determined by the state court administrator. The state court  
36 12 administrator shall make the determination of the distribution  
36 13 amounts on or before June 15, 2005.

36 14 b. Notwithstanding chapter 232 or any other provision of  
36 15 law to the contrary, a district or juvenile court shall not  
36 16 order any service which is a charge upon the state pursuant to  
36 17 section 232.141 if there are insufficient court-ordered  
36 18 services funds available in the district court distribution  
36 19 amount to pay for the service. The chief juvenile court  
36 20 officer shall encourage use of the funds allocated in this  
36 21 subsection such that there are sufficient funds to pay for all  
36 22 court-related services during the entire year. The chief  
36 23 juvenile court officers shall attempt to anticipate potential  
36 24 surpluses and shortfalls in the distribution amounts and shall  
36 25 cooperatively request the state court administrator to  
36 26 transfer funds between the districts' distribution amounts as  
36 27 prudent.

36 28 c. Notwithstanding any provision of law to the contrary, a  
36 29 district or juvenile court shall not order a county to pay for  
36 30 any service provided to a juvenile pursuant to an order  
36 31 entered under chapter 232 which is a charge upon the state  
36 32 under section 232.141, subsection 4.

36 33 d. Of the funding allocated in this subsection, not more  
36 34 than \$100,000 may be used by the judicial branch for  
36 35 administration of the requirements under this subsection and  
37 1 for travel associated with court-ordered placements which are  
37 2 a charge upon the state pursuant to section 232.141,  
37 3 subsection 4.

37 4 13. The department shall maximize the capacity to draw  
37 5 federal funding under Title IV=E of the federal Social  
37 6 Security Act.



14. Notwithstanding 2000 Iowa Acts, chapter 1228, section 43, the department may operate a subsidized guardianship program if the United States department of health and human services approves a waiver under Title IV-E of the federal Social Security Act or the federal Social Security Act is amended to allow Title IV-E funding to be used for subsidized guardianship, and the subsidized guardianship program can be operated without loss of Title IV-E funds.

15. Of the amount appropriated in this section, \$300,000 shall be transferred to the Iowa department of public health to be used for the child protection center grant program in accordance with section 135.118.

16. Of the amount appropriated in this section, \$148,000 shall be used for funding of one or more child welfare diversion and mediation pilot projects as provided in 2004 Iowa Acts, chapter 1130, section 1.

17. Notwithstanding section 234.1, subsection 2, the department may continue to pay for foster care for youth age 18 and older who have received a high school diploma or a high school equivalency diploma.

Sec. 21. JUVENILE DETENTION HOME FUND. Moneys deposited in the juvenile detention home fund created in section 232.142 during the fiscal year beginning July 1, 2005, and ending June 30, 2006, are appropriated to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, for distribution as follows:

1. An amount equal to 10 percent of the costs of the establishment, improvement, operation, and maintenance of county or multicounty juvenile detention homes in the fiscal year beginning July 1, 2004. Moneys appropriated for distribution in accordance with this subsection shall be allocated among eligible detention homes, prorated on the basis of an eligible detention home's proportion of the costs of all eligible detention homes in the fiscal year beginning July 1, 2004. Notwithstanding section 232.142, subsection 3, the financial aid payable by the state under that provision for the fiscal year beginning July 1, 2005, shall be limited to the amount appropriated for the purposes of this subsection.
2. For renewal of a grant to a county with a population between 189,000 and 196,000 for implementation of the county's runaway treatment plan under section 232.195:
 

.....	\$ 80,000
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3. For continuation and expansion of the community partnership for child protection sites:
 

.....	\$ 318,000
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4. For grants to counties implementing a runaway treatment plan under section 232.195.
5. The remainder for additional allocations to county or multicounty juvenile detention homes, in accordance with the distribution requirements of subsection 1.

Sec. 22. FAMILY SUPPORT SUBSIDY PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family support subsidy program:
 

.....	\$ 1,936,434
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1. The department may use up to \$333,312 of the moneys appropriated in this section to continue the children-at-home program in current counties, of which not more than \$20,000 shall be used for administrative costs.
2. Notwithstanding section 225C.38, subsection 1, the monthly family support payment amount for the fiscal year beginning July 1, 2005, shall remain the same as the payment amount in effect on June 30, 2005.

Sec. 23. CONNER DECREE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For building community capacity through the coordination and provision of training opportunities in accordance with the consent decree of Conner v. Branstad, No. 4=86=CV=30871(S.D. Iowa, July 14, 1994):
 

.....	\$ 42,623
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Sec. 24. MENTAL HEALTH INSTITUTES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much

thereof as is necessary, to be used for the purposes designated:

1. For the state mental health institute at Cherokee for salaries, support, maintenance, and miscellaneous purposes: ..... \$ 13,074,889
2. For the state mental health institute at Clarinda for salaries, support, maintenance, and miscellaneous purposes: ..... \$ 7,439,591
3. For the state mental health institute at Independence for salaries, support, maintenance, and miscellaneous purposes: ..... \$ 17,329,091

The state mental health institute at Independence shall continue the 30 psychiatric medical institution for children (PMIC) beds authorized in section 135H.6, in a manner which results in no net state expenditure amount in excess of the amount appropriated in this subsection. Counties are not responsible for the costs of PMIC services described in this subsection. Subject to the approval of the department, with the exception of revenues required under section 249A.11 to be credited to the appropriation in this division of this Act for medical assistance, revenues attributable to the PMIC beds described in this subsection for the fiscal year beginning July 1, 2005, and ending June 30, 2006, shall be deposited in the institute's account and shall be considered repayment receipts as defined in section 8.2 to supplement the appropriation made in this subsection, including but not limited to any of the following revenues:

- a. The federal share of medical assistance revenue received under chapter 249A.
- b. Moneys received through client participation.
- c. Any other revenues directly attributable to the PMIC beds.

4. For the state mental health institute at Mount Pleasant for salaries, support, maintenance, and miscellaneous purposes: ..... \$ 6,131,181

- a. Funding is provided in this subsection for the state mental health institute at Mount Pleasant to continue the dual diagnosis mental health and substance abuse program on a net budgeting basis in which 50 percent of the actual per diem and ancillary services costs are chargeable to the patient's county of legal settlement or as a state case, as appropriate. Subject to the approval of the department, revenues attributable to the dual diagnosis program for the fiscal year beginning July 1, 2005, and ending June 30, 2006, shall be deposited in the institute's account and shall be considered repayment receipts as defined in section 8.2 to supplement the appropriation made in this subsection, including but not limited to all of the following revenues:
  - (1) Moneys received by the state from billings to counties under section 230.20.
  - (2) Moneys received from billings to the Medicare program.
  - (3) Moneys received from a managed care contractor providing services under contract with the department or any private third-party payor.
  - (4) Moneys received through client participation.
  - (5) Any other revenues directly attributable to the dual diagnosis program.
- b. The following additional provisions are applicable in regard to the dual diagnosis program:
  - (1) A county may split the charges between the county's mental health, mental retardation, and developmental disabilities services fund and the county's budget for substance abuse expenditures.
  - (2) If an individual is committed to the custody of the department of corrections at the time the individual is referred for dual diagnosis treatment, the department of corrections shall be charged for the costs of treatment.
  - (3) Prior to an individual's admission for dual diagnosis treatment, the individual shall have been screened through a county's single entry point process to determine the appropriateness of the treatment.
  - (4) A county shall not be chargeable for the costs of treatment for an individual enrolled in and authorized by or decertified by a managed behavioral care plan under the medical assistance program.
  - (5) Notwithstanding section 8.33, state mental health institute revenues related to the dual diagnosis program that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available up to the

41 29 amount which would allow the state mental health institute to  
 41 30 meet credit obligations owed to counties as a result of year=  
 41 31 end per diem adjustments for the dual diagnosis program.  
 41 32 5. Within the funds appropriated in this section, the  
 41 33 department may transfer funds as necessary to best fulfill the  
 41 34 needs of the institutes provided for in the appropriation.  
 41 35 6. As part of the discharge planning process at the state  
 42 1 mental health institutes, the department shall provide  
 42 2 assistance in obtaining eligibility for federal supplemental  
 42 3 security income (SSI) to those individuals whose care at a  
 42 4 state mental health institute is the financial responsibility  
 42 5 of the state or a county.  
 42 6 Sec. 25. STATE RESOURCE CENTERS. There is appropriated  
 42 7 from the general fund of the state to the department of human  
 42 8 services for the fiscal year beginning July 1, 2005, and  
 42 9 ending June 30, 2006, the following amounts, or so much  
 42 10 thereof as is necessary, to be used for the purposes  
 42 11 designated:  
 42 12 1. For the state resource center at Glenwood for salaries,  
 42 13 support, maintenance, and miscellaneous purposes:  
 42 14 ..... \$ 12,750,344  
 42 15 2. For the state resource center at Woodward for salaries,  
 42 16 support, maintenance, and miscellaneous purposes:  
 42 17 ..... \$ 7,173,089  
 42 18 3. a. The department shall continue operating the state  
 42 19 resource centers at Glenwood and Woodward with a net general  
 42 20 fund appropriation. The amounts allocated in this section are  
 42 21 the net amounts of state moneys projected to be needed for the  
 42 22 state resource centers. The purposes of operating with a net  
 42 23 general fund appropriation are to encourage the state resource  
 42 24 centers to operate with increased self-sufficiency, to improve  
 42 25 quality and efficiency, and to support collaborative efforts  
 42 26 between the state resource centers and counties and other  
 42 27 funders of services available from the state resource centers.  
 42 28 The state resource centers shall not be operated under the net  
 42 29 appropriation in a manner which results in a cost increase to  
 42 30 the state or cost shifting between the state, the medical  
 42 31 assistance program, counties, or other sources of funding for  
 42 32 the state resource centers. Moneys appropriated in this  
 42 33 section may be used throughout the fiscal year in the manner  
 42 34 necessary for purposes of cash flow management, and for  
 42 35 purposes of cash flow management the state resource centers  
 43 1 may temporarily draw more than the amounts appropriated,  
 43 2 provided the amounts appropriated are not exceeded at the  
 43 3 close of the fiscal year.  
 43 4 b. Subject to the approval of the department, except for  
 43 5 revenues under section 249A.11, revenues attributable to the  
 43 6 state resource centers for the fiscal year beginning July 1,  
 43 7 2005, shall be deposited into each state resource center's  
 43 8 account for the respective state resource center, and shall be  
 43 9 considered repayment receipts as defined in section 8.2, to  
 43 10 supplement the appropriation made to the center in this  
 43 11 section, including but not limited to all of the following:  
 43 12 (1) Moneys received by the state from billings to counties  
 43 13 under section 222.73.  
 43 14 (2) The federal share of medical assistance revenue  
 43 15 received under chapter 249A.  
 43 16 (3) Federal Medicare program payments.  
 43 17 (4) Moneys received from client financial participation.  
 43 18 (5) Other revenues generated from current, new, or  
 43 19 expanded services which the state resource center is  
 43 20 authorized to provide.  
 43 21 c. For the purposes of allocating the salary adjustment  
 43 22 fund moneys appropriated in another division of this Act or  
 43 23 another Act, the state resource centers shall be considered to  
 43 24 be funded entirely with state moneys.  
 43 25 d. Notwithstanding section 8.33, up to \$500,000 of a state  
 43 26 resource center's revenues that remain unencumbered or  
 43 27 unobligated at the close of the fiscal year shall not revert  
 43 28 but shall remain available to be used in the succeeding fiscal  
 43 29 year.  
 43 30 4. Within the funds appropriated in this section, the  
 43 31 department may transfer funds as necessary to best fulfill the  
 43 32 needs of the institutions provided for in the appropriation.  
 43 33 5. The department may continue to bill for state resource  
 43 34 center services utilizing a scope of services approach used  
 43 35 for private providers of ICFMR services, in a manner which  
 44 1 does not shift costs between the medical assistance program,  
 44 2 counties, or other sources of funding for the state resource  
 44 3 centers.  
 44 4 6. The state resource centers may expand the time limited

44 5 assessment and respite services during the fiscal year.  
44 6 7. If the department's administration and the department  
44 7 of management concur with a finding by a state resource  
44 8 center's superintendent that projected revenues can reasonably  
44 9 be expected to pay the salary and support costs for a new  
44 10 employee position, or that such costs for adding a particular  
44 11 number of new positions for the fiscal year would be less than  
44 12 the overtime costs if new positions would not be added, the  
44 13 superintendent may add the new position or positions. If the  
44 14 vacant positions available to a resource center do not include  
44 15 the position classification desired to be filled, the state  
44 16 resource center's superintendent may reclassify any vacant  
44 17 position as necessary to fill the desired position. The  
44 18 superintendents of the state resource centers may, by mutual  
44 19 agreement, pool vacant positions and position classifications  
44 20 during the course of the fiscal year in order to assist one  
44 21 another in filling necessary positions.

44 22 8. If existing capacity limitations are reached in  
44 23 operating units, a waiting list is in effect for a service or  
44 24 a special need for which a payment source or other funding is  
44 25 available for the service or to address the special need, and  
44 26 facilities for the service or to address the special need can  
44 27 be provided within the available payment source or other  
44 28 funding, the superintendent of a state resource center may  
44 29 authorize opening not more than two units or other facilities  
44 30 and to begin implementing the service or addressing the  
44 31 special need during fiscal year 2005=2006.

44 32 Sec. 26. MI/MR/DD STATE CASES. There is appropriated from  
44 33 the general fund of the state to the department of human  
44 34 services for the fiscal year beginning July 1, 2005, and  
44 35 ending June 30, 2006, the following amount, or so much thereof

45 1 as is necessary, to be used for the purpose designated:

45 2 For purchase of local services for persons with mental  
45 3 illness, mental retardation, and developmental disabilities  
45 4 where the client has no established county of legal  
45 5 settlement:

45 6 ..... \$ 12,303,943

45 7 The department is encouraged to continue discussions with  
45 8 the Iowa state association of counties and administrators of  
45 9 county central point of coordination offices regarding  
45 10 proposals for moving state cases to county budgets.

45 11 Sec. 27. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES ==  
45 12 COMMUNITY SERVICES FUND. There is appropriated from the  
45 13 general fund of the state to the mental health and  
45 14 developmental disabilities community services fund created in  
45 15 section 225C.7 for the fiscal year beginning July 1, 2005, and  
45 16 ending June 30, 2006, the following amount, or so much thereof  
45 17 as is necessary, to be used for the purpose designated:

45 18 For mental health and developmental disabilities community  
45 19 services in accordance with this division of this Act:

45 20 ..... \$ 17,757,890

45 21 1. Of the funds appropriated in this section, \$17,727,890  
45 22 shall be allocated to counties for funding of community-based  
45 23 mental health and developmental disabilities services. The  
45 24 moneys shall be allocated to a county as follows:

45 25 a. Fifty percent based upon the county's proportion of the  
45 26 state's population of persons with an annual income which is  
45 27 equal to or less than the poverty guideline established by the  
45 28 federal office of management and budget.

45 29 b. Fifty percent based upon the county's proportion of the  
45 30 state's general population.

45 31 2. a. A county shall utilize the funding the county  
45 32 receives pursuant to subsection 1 for services provided to  
45 33 persons with a disability, as defined in section 225C.2.  
45 34 However, no more than 50 percent of the funding shall be used  
45 35 for services provided to any one of the service populations.

46 1 b. A county shall use at least 50 percent of the funding  
46 2 the county receives under subsection 1 for contemporary  
46 3 services provided to persons with a disability, as described  
46 4 in rules adopted by the department.

46 5 3. Of the funds appropriated in this section, \$30,000  
46 6 shall be used to support the Iowa compass program providing  
46 7 computerized information and referral services for Iowans with  
46 8 disabilities and their families.

46 9 4. a. Funding appropriated for purposes of the federal  
46 10 social services block grant is allocated for distribution to  
46 11 counties for local purchase of services for persons with  
46 12 mental illness or mental retardation or other developmental  
46 13 disability.

46 14 b. The funds allocated in this subsection shall be  
46 15 expended by counties in accordance with the county's approved

46 16 county management plan. A county without an approved county  
46 17 management plan shall not receive allocated funds until the  
46 18 county's management plan is approved.

46 19 c. The funds provided by this subsection shall be  
46 20 allocated to each county as follows:

46 21 (1) Fifty percent based upon the county's proportion of  
46 22 the state's population of persons with an annual income which  
46 23 is equal to or less than the poverty guideline established by  
46 24 the federal office of management and budget.

46 25 (2) Fifty percent based upon the amount provided to the  
46 26 county for local purchase of services in the preceding fiscal  
46 27 year.

46 28 5. A county is eligible for funds under this section if  
46 29 the county qualifies for a state payment as described in  
46 30 section 331.439.

46 31 Sec. 28. MENTAL HEALTH, MENTAL RETARDATION, DEVELOPMENTAL  
46 32 DISABILITIES, AND BRAIN INJURY SERVICE SYSTEM REDESIGN. There  
46 33 is appropriated from the general fund of the state to the  
46 34 department of human services for the fiscal year beginning  
46 35 July 1, 2005, and ending June 30, 2006, the following amount,  
47 1 or so much thereof as is necessary, to be used for the purpose  
47 2 designated:

47 3 For implementation of the redesign of the mental health,  
47 4 mental retardation, developmental disabilities, and brain  
47 5 injury service system for adults and children:  
47 6 ..... \$ 5,215,000

47 7 Sec. 29. SEXUALLY VIOLENT PREDATORS.

47 8 1. There is appropriated from the general fund of the  
47 9 state to the department of human services for the fiscal year  
47 10 beginning July 1, 2005, and ending June 30, 2006, the  
47 11 following amount, or so much thereof as is necessary, to be  
47 12 used for the purpose designated:

47 13 For costs associated with the commitment and treatment of  
47 14 sexually violent predators in the unit located at the state  
47 15 mental health institute at Cherokee, including costs of legal  
47 16 services and other associated costs, including salaries,  
47 17 support, maintenance, and miscellaneous purposes:  
47 18 ..... \$ 4,206,621

47 19 2. Unless specifically prohibited by law, if the amount  
47 20 charged provides for recoupment of at least the entire amount  
47 21 of direct and indirect costs, the department of human services  
47 22 may contract with other states to provide care and treatment  
47 23 of persons placed by the other states at the unit for sexually  
47 24 violent predators at Cherokee. The moneys received under such  
47 25 a contract shall be considered to be repayment receipts and  
47 26 used for the purposes of the appropriation made in this  
47 27 section.

47 28 Sec. 30. FIELD OPERATIONS. There is appropriated from the  
47 29 general fund of the state to the department of human services  
47 30 for the fiscal year beginning July 1, 2005, and ending June  
47 31 30, 2006, the following amount, or so much thereof as is  
47 32 necessary, to be used for the purposes designated:

47 33 For field operations, including salaries, support,  
47 34 maintenance, and miscellaneous purposes:  
47 35 ..... \$ 53,924,358

48 1 Priority in filling full-time equivalent positions shall be  
48 2 given to those positions related to child protection services.

48 3 Sec. 31. GENERAL ADMINISTRATION. There is appropriated  
48 4 from the general fund of the state to the department of human  
48 5 services for the fiscal year beginning July 1, 2005, and  
48 6 ending June 30, 2006, the following amount, or so much thereof  
48 7 as is necessary, to be used for the purpose designated:

48 8 For general administration, including salaries, support,  
48 9 maintenance, and miscellaneous purposes:  
48 10 ..... \$13,312,196

48 11 Of the funds appropriated in this section, \$57,000 is  
48 12 allocated for the prevention of disabilities policy council  
48 13 established in section 225B.3.

48 14 Sec. 32. VOLUNTEERS. There is appropriated from the  
48 15 general fund of the state to the department of human services  
48 16 for the fiscal year beginning July 1, 2005, and ending June  
48 17 30, 2006, the following amount, or so much thereof as is  
48 18 necessary, to be used for the purpose designated:

48 19 For development and coordination of volunteer services:  
48 20 ..... \$ 109,568

48 21 Sec. 33. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY  
48 22 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE  
48 23 DEPARTMENT OF HUMAN SERVICES.

48 24 1. a. (1) For the fiscal year beginning July 1, 2005,  
48 25 nursing facilities shall be reimbursed at 100 percent of the  
48 26 modified price-based case-mix reimbursement rate. Nursing

48 27 facilities reimbursed under the medical assistance program  
48 28 shall submit annual cost reports and additional documentation  
48 29 as required by rules adopted by the department.

48 30 (2) For the fiscal year beginning July 1, 2005, the total  
48 31 state funding amount for the nursing facility budget shall not  
48 32 exceed \$160,002,891. For the fiscal year beginning July 1,  
48 33 2005, and ending June 30, 2006, nursing facilities reimbursed  
48 34 under the case-mix reimbursement system shall have their  
48 35 allowable cost calculations adjusted by applying the most  
49 1 recently published HCFA/SNF index. For the purpose of this  
49 2 subparagraph, the HCFA/SNF index means the HCFA total skilled  
49 3 nursing facility market basket index published by data  
49 4 resources, inc. The department, in cooperation with nursing  
49 5 facility representatives, shall review projections for state  
49 6 funding expenditures for reimbursement of nursing facilities  
49 7 on a quarterly basis and the department shall determine if an  
49 8 adjustment to the medical assistance reimbursement rate is  
49 9 necessary in order to provide reimbursement within the state  
49 10 funding amount. Any temporary enhanced federal financial  
49 11 participation that may become available to the Iowa medical  
49 12 assistance program during the fiscal year shall not be used in  
49 13 projecting the nursing facility budget. Notwithstanding 2001  
49 14 Iowa Acts, chapter 192, section 4, subsection 2, paragraph  
49 15 "c", and subsection 3, paragraph "a", subparagraph (2), if the  
49 16 state funding expenditures for the nursing facility budget for  
49 17 the fiscal year beginning July 1, 2005, is projected to exceed  
49 18 the amount specified in this subparagraph, the department  
49 19 shall adjust the inflation factor of the reimbursement rate  
49 20 calculation for only the nursing facilities reimbursed under  
49 21 the case-mix reimbursement system to maintain expenditures of  
49 22 the nursing facility budget within the specified amount.

49 23 b. For the fiscal year beginning July 1, 2005, the  
49 24 department shall reimburse pharmacy dispensing fees using a  
49 25 single rate of \$4.39 per prescription, or the pharmacy's usual  
49 26 and customary fee, whichever is lower.

49 27 c. For the fiscal year beginning July 1, 2005,  
49 28 reimbursement rates for inpatient and outpatient hospital  
49 29 services shall be increased by 3 percent over the rates in  
49 30 effect on June 30, 2005. The department shall continue the  
49 31 outpatient hospital reimbursement system based upon ambulatory  
49 32 patient groups implemented pursuant to 1994 Iowa Acts, chapter  
49 33 1186, section 25, subsection 1, paragraph "f". In addition,  
49 34 the department shall continue the revised medical assistance  
49 35 payment policy implemented pursuant to that paragraph to  
50 1 provide reimbursement for costs of screening and treatment  
50 2 provided in the hospital emergency room if made pursuant to  
50 3 the prospective payment methodology developed by the  
50 4 department for the payment of outpatient services provided  
50 5 under the medical assistance program. Any rebasing of  
50 6 hospital inpatient or outpatient rates shall not increase  
50 7 total payments for inpatient and outpatient services beyond  
50 8 the 3 percent increase provided in this paragraph.

50 9 d. For the fiscal year beginning July 1, 2005,  
50 10 reimbursement rates for rural health clinics, hospices,  
50 11 independent laboratories, and acute mental hospitals shall be  
50 12 increased in accordance with increases under the federal  
50 13 Medicare program or as supported by their Medicare audited  
50 14 costs.

50 15 e. (1) For the fiscal year beginning July 1, 2005,  
50 16 reimbursement rates for home health agencies shall be  
50 17 increased by 3 percent over the rates in effect on June 30,  
50 18 2005.

50 19 (2) The department shall establish a fixed-fee  
50 20 reimbursement schedule for home health agencies under the  
50 21 medical assistance program beginning July 1, 2006.

50 22 f. For the fiscal year beginning July 1, 2005, federally  
50 23 qualified health centers shall receive cost-based  
50 24 reimbursement for 100 percent of the reasonable costs for the  
50 25 provision of services to recipients of medical assistance.

50 26 g. Beginning July 1, 2005, the reimbursement rates for  
50 27 dental services shall be increased by 3 percent over the rates  
50 28 in effect on June 30, 2005.

50 29 h. Beginning July 1, 2005, the reimbursement rates for  
50 30 community mental health centers shall be increased by 3  
50 31 percent over the rates in effect on June 30, 2005.

50 32 i. For the fiscal year beginning July 1, 2005, the maximum  
50 33 reimbursement rate for psychiatric medical institutions for  
50 34 children shall be increased by 3 percent over the rate in  
50 35 effect on June 30, 2005, based on per day rates for actual  
51 1 costs.

51 2 j. For the fiscal year beginning July 1, 2005, unless

51 3 otherwise specified in this Act, all noninstitutional medical  
51 4 assistance provider reimbursement rates shall be increased by  
51 5 3 percent over the rates in effect on June 30, 2005, except  
51 6 for area education agencies, local education agencies, infant  
51 7 and toddler services providers, and those providers whose  
51 8 rates are required to be determined pursuant to section  
51 9 249A.20.

51 10 k. Notwithstanding section 249A.20, the average  
51 11 reimbursement rate for health care providers eligible for use  
51 12 of the federal Medicare resource-based relative value scale  
51 13 reimbursement methodology under that section shall be  
51 14 increased by 3 percent over the rate in effect on June 30,  
51 15 2005; however, this rate shall not exceed the maximum level  
51 16 authorized by the federal government.

51 17 2. For the fiscal year beginning July 1, 2005, the  
51 18 reimbursement rate for residential care facilities shall not  
51 19 be less than the minimum payment level as established by the  
51 20 federal government to meet the federally mandated maintenance  
51 21 of effort requirement. The flat reimbursement rate for  
51 22 facilities electing not to file semiannual cost reports shall  
51 23 not be less than the minimum payment level as established by  
51 24 the federal government to meet the federally mandated  
51 25 maintenance of effort requirement.

51 26 3. For the fiscal year beginning July 1, 2005, the  
51 27 reimbursement rate for providers reimbursed under the in-home=  
51 28 related care program shall not be less than the minimum  
51 29 payment level as established by the federal government to meet  
51 30 the federally mandated maintenance of effort requirement.

51 31 4. Unless otherwise directed in this section, when the  
51 32 department's reimbursement methodology for any provider  
51 33 reimbursed in accordance with this section includes an  
51 34 inflation factor, this factor shall not exceed the amount by  
51 35 which the consumer price index for all urban consumers  
52 1 increased during the calendar year ending December 31, 2002.

52 2 5. Notwithstanding section 234.38, in the fiscal year  
52 3 beginning July 1, 2005, the foster family basic daily  
52 4 maintenance rate and the maximum adoption subsidy rate for  
52 5 children ages 0 through 5 years shall be \$14.91, the rate for  
52 6 children ages 6 through 11 years shall be \$15.58, the rate for  
52 7 children ages 12 through 15 years shall be \$17.18, and the  
52 8 rate for children ages 16 and older shall be \$17.27

52 9 6. For the fiscal year beginning July 1, 2005, the maximum  
52 10 reimbursement rates for social service providers shall be  
52 11 increased by 3 percent over the rates in effect on June 30,  
52 12 2005, or to the provider's actual and allowable cost plus  
52 13 inflation for each service, whichever is less. The rates may  
52 14 also be adjusted under any of the following circumstances:

52 15 a. If a new service was added after June 30, 2005, the  
52 16 initial reimbursement rate for the service shall be based upon  
52 17 actual and allowable costs.

52 18 b. If a social service provider loses a source of income  
52 19 used to determine the reimbursement rate for the provider, the  
52 20 provider's reimbursement rate may be adjusted to reflect the  
52 21 loss of income, provided that the lost income was used to  
52 22 support actual and allowable costs of a service purchased  
52 23 under a purchase of service contract.

52 24 7. The group foster care reimbursement rates paid for  
52 25 placement of children out of state shall be calculated  
52 26 according to the same rate-setting principles as those used  
52 27 for in-state providers unless the director of human services  
52 28 or the director's designee determines that appropriate care  
52 29 cannot be provided within the state. The payment of the daily  
52 30 rate shall be based on the number of days in the calendar  
52 31 month in which service is provided.

52 32 8. For the fiscal year beginning July 1, 2005, the  
52 33 reimbursement rates for rehabilitative treatment and support  
52 34 services providers shall be increased by 3 percent over the  
52 35 rates in effect on June 30, 2005.

53 1 9. For the fiscal year beginning July 1, 2005, the  
53 2 combined service and maintenance components of the  
53 3 reimbursement rate paid for shelter care services purchased  
53 4 under a contract shall be based on the financial and  
53 5 statistical report submitted to the department. The maximum  
53 6 reimbursement rate shall be \$86.20 per day. The department  
53 7 shall reimburse a shelter care provider at the provider's  
53 8 actual and allowable unit cost, plus inflation, not to exceed  
53 9 the maximum reimbursement rate. Notwithstanding section  
53 10 232.141, subsection 8, for the fiscal year beginning July 1,  
53 11 2005, the amount of the statewide average of the actual and  
53 12 allowable rates for reimbursement of juvenile shelter care  
53 13 homes that is utilized for the limitation on recovery of

53 14 unpaid costs shall be increased by \$2.51 over the amount in  
53 15 effect for this purpose in the preceding fiscal year.

53 16 10. For the fiscal year beginning July 1, 2005, the  
53 17 department shall calculate reimbursement rates for  
53 18 intermediate care facilities for persons with mental  
53 19 retardation at the 80th percentile.

53 20 11. For the fiscal year beginning July 1, 2005, for child  
53 21 care providers reimbursed under the state child care  
53 22 assistance program, the department shall set provider  
53 23 reimbursement rates based on the rate reimbursement survey  
53 24 completed in December 2002. The department shall set rates in  
53 25 a manner so as to provide incentives for a nonregistered  
53 26 provider to become registered.

53 27 12. For the fiscal year beginning July 1, 2005,  
53 28 reimbursements for providers reimbursed by the department of  
53 29 human services may be modified if appropriated funding is  
53 30 allocated for that purpose from the senior living trust fund  
53 31 created in section 249H.4, or as specified in appropriations  
53 32 from the healthy Iowans tobacco trust created in section  
53 33 12.65.

53 34 13. The department may adopt emergency rules to implement  
53 35 this section.

54 1 Sec. 34. TRANSFER AUTHORITY. Subject to the provisions of  
54 2 section 8.39, for the fiscal year beginning July 1, 2005, if  
54 3 necessary to meet federal maintenance of effort requirements  
54 4 or to transfer federal temporary assistance for needy families  
54 5 block grant funding to be used for purposes of the federal  
54 6 social services block grant or to meet cash flow needs  
54 7 resulting from delays in receiving federal funding or to  
54 8 implement, in accordance with this division of this Act,  
54 9 targeted case management for child protection and for  
54 10 activities currently funded with juvenile court services,  
54 11 county, or community moneys and state moneys used in  
54 12 combination with such moneys, the department of human services  
54 13 may transfer within or between any of the appropriations made  
54 14 in this division of this Act and appropriations in law for the  
54 15 federal social services block grant to the department for the  
54 16 following purposes, provided that the combined amount of state  
54 17 and federal temporary assistance for needy families block  
54 18 grant funding for each appropriation remains the same before  
54 19 and after the transfer:

- 54 20 1. For the family investment program.
- 54 21 2. For child care assistance.
- 54 22 3. For child and family services.
- 54 23 4. For field operations.
- 54 24 5. For general administration.
- 54 25 6. MH/MR/DD/BI community services (local purchase).

54 26 This section shall not be construed to prohibit existing  
54 27 state transfer authority for other purposes.

54 28 Sec. 35. FRAUD AND RECOUPMENT ACTIVITIES. During the  
54 29 fiscal year beginning July 1, 2005, notwithstanding the  
54 30 restrictions in section 239B.14, recovered moneys generated  
54 31 through fraud and recoupment activities are appropriated to  
54 32 the department of human services to be used for additional  
54 33 fraud and recoupment activities performed by the department of  
54 34 human services or the department of inspections and appeals,  
54 35 and the department of human services may add not more than  
55 1 five full-time equivalent positions, in addition to those  
55 2 funded in this division of this Act, subject to both of the  
55 3 following conditions:

- 55 4 1. The director of human services determines that the  
55 5 investment can reasonably be expected to increase recovery of  
55 6 assistance paid in error, due to fraudulent or nonfraudulent  
55 7 actions, in excess of the amount recovered in the previous  
55 8 fiscal year.

- 55 9 2. The amount expended for the additional fraud and  
55 10 recoupment activities shall not exceed the amount of the  
55 11 projected increase in assistance recovered.

55 12 Sec. 36. EMERGENCY RULES. If specifically authorized by a  
55 13 provision of this division of this Act, the Iowa department of  
55 14 public health, the department of human services, or the mental  
55 15 health, mental retardation, developmental disabilities, and  
55 16 brain injury commission may adopt administrative rules under  
55 17 section 17A.4, subsection 2, and section 17A.5, subsection 2,  
55 18 paragraph "b", to implement the provisions and the rules shall  
55 19 become effective immediately upon filing or on a later  
55 20 effective date specified in the rules, unless the effective  
55 21 date is delayed by the administrative rules review committee.  
55 22 Any rules adopted in accordance with this section shall not  
55 23 take effect before the rules are reviewed by the  
55 24 administrative rules review committee. The delay authority



55 25 provided to the administrative rules review committee under  
55 26 section 17A.4, subsection 5, and section 17A.8, subsection 9,  
55 27 shall be applicable to a delay imposed under this section,  
55 28 notwithstanding a provision in those sections making them  
55 29 inapplicable to section 17A.5, subsection 2, paragraph "b".  
55 30 Any rules adopted in accordance with the provisions of this  
55 31 section shall also be published as notice of intended action  
55 32 as provided in section 17A.4.

55 33 Sec. 37. REPORTS.

55 34 1. Any reports or information required to be compiled and  
55 35 submitted under this division of this Act shall be submitted  
56 1 to the chairpersons and ranking members of the joint  
56 2 appropriations subcommittee on health and human services, the  
56 3 legislative services agency, and the legislative caucus staffs  
56 4 on or before the dates specified for submission of the reports  
56 5 or information.

56 6 2. In order to reduce mailing and paper processing costs,  
56 7 the department shall provide, to the extent feasible, reports,  
56 8 notices, minutes, and other documents by electronic means to  
56 9 those persons who have the capacity to access the documents in  
56 10 that manner.

56 11 Sec. 38. Section 234.12A, subsection 1, Code 2005, is  
56 12 amended to read as follows:

56 13 1. The department of human services ~~may establish~~ shall  
56 14 ~~maintain~~ an electronic benefits transfer program utilizing  
56 15 electronic funds transfer systems. The program, ~~if~~  
56 16 ~~established~~, shall at a minimum provide for all of the  
56 17 following:

56 18 a. ~~A that a~~ retailer shall not be required to make cash  
56 19 disbursements or to provide, purchase, or upgrade electronic  
56 20 funds transfer system equipment as a condition of  
56 21 participation in the program.

56 22 b. ~~A retailer providing electronic funds transfer system~~  
56 23 ~~equipment for transactions pursuant to the program shall be~~  
56 24 ~~reimbursed seven cents for each approved transaction pursuant~~  
56 25 ~~to the program utilizing the retailer's equipment.~~

56 26 c. ~~A retailer that provides electronic funds transfer~~  
56 27 ~~system equipment for transactions pursuant to the program and~~  
56 28 ~~who makes cash disbursements pursuant to the program utilizing~~  
56 29 ~~the retailer's equipment shall be paid a fee of seven cents by~~  
56 30 ~~the department for each cash disbursement transaction by the~~  
56 31 ~~retailer.~~

56 32 Sec. 39. Section 249.3, subsection 4, paragraphs e and g,  
56 33 Code 2005, are amended to read as follows:

56 34 e. Receive full medical assistance benefits under chapter  
56 35 249A and are not required to meet a spend-down or pay a  
57 1 premium to be eligible for such benefits.

57 2 g. Have income ~~exceeding~~ of at least one hundred ~~thirty-~~  
57 3 ~~five~~ twenty percent of the federal poverty level but not  
57 4 exceeding the medical assistance income limit for the  
57 5 eligibility group for the individual person's living  
57 6 arrangement.

57 7 Sec. 40. Section 505.25, Code 2005, is amended to read as  
57 8 follows:

57 9 505.25 INFORMATION PROVIDED TO MEDICAL ASSISTANCE ~~PROGRAM~~  
57 10 ~~AND HAWK-I PROGRAMS.~~

57 11 A carrier, as defined in section 514C.13, shall enter into  
57 12 a health insurance data match program with the department of  
57 13 human services for the sole purpose of comparing the names of  
57 14 the carrier's insureds with the names of recipients of the  
57 15 medical assistance program under chapter 249A or enrollees of  
57 16 the hawk-i program under chapter 514I.

57 17 Sec. 41. 2004 Iowa Acts, chapter 1175, section 113, is  
57 18 amended by adding the following new subsection:

57 19 5. Notwithstanding section 8.33, moneys appropriated in  
57 20 this section that were allocated by the department for the  
57 21 purpose of meeting federal food stamp electronic benefit  
57 22 transfer requirements that remain unencumbered or unobligated  
57 23 at the close of the fiscal year shall not revert but shall  
57 24 remain available for expenditure for the purpose designated  
57 25 until the close of the succeeding fiscal year.

57 26 Sec. 42. EFFECTIVE DATES. The following provisions of  
57 27 this division of this Act, being deemed of immediate  
57 28 importance, take effect upon enactment:

57 29 1. The provision under the appropriation for child and  
57 30 family services, relating to requirements of section 232.143  
57 31 for representatives of the department of human services and  
57 32 juvenile court services to establish a plan for continuing  
57 33 group foster care expenditures for the 2005=2006 fiscal year.

57 34 2. The provision under the appropriation for child and  
57 35 family services, relating to the state court administrator

58 1 determining allocation of court-ordered services funding by  
58 2 June 15, 2005.  
58 3 3. The provision amending 2004 Iowa Acts, chapter 1175,  
58 4 section 113.

58 5 DIVISION II

58 6 SENIOR LIVING AND HOSPITAL TRUST FUNDS

58 7 Sec. 43. DEPARTMENT OF ELDER AFFAIRS. There is  
58 8 appropriated from the senior living trust fund created in  
58 9 section 249H.4 to the department of elder affairs for the  
58 10 fiscal year beginning July 1, 2005, and ending June 30, 2006,  
58 11 the following amount, or so much thereof as is necessary, to  
58 12 be used for the purpose designated:

58 13 For the development and implementation of a comprehensive  
58 14 senior living program, including program administration and  
58 15 costs associated with implementation, salaries, support,  
58 16 maintenance, and miscellaneous purposes:

58 17 ..... \$ 8,222,118

58 18 The department shall not transfer moneys appropriated to  
58 19 the department for purposes of the assisted living program and  
58 20 adult day care for the fiscal year beginning July 1, 2005.

58 21 Sec. 44. DEPARTMENT OF HUMAN SERVICES. There is  
58 22 appropriated from the senior living trust fund created in  
58 23 section 249H.4 to the department of human services for the  
58 24 fiscal year beginning July 1, 2005, and ending June 30, 2006,  
58 25 the following amounts, or so much thereof as is necessary, to  
58 26 be used for the purposes designated:

58 27 1. To supplement the medical assistance appropriation,  
58 28 including program administration and costs associated with  
58 29 implementation, salaries, support, maintenance, and  
58 30 miscellaneous purposes:

58 31 ..... \$ 97,700,000

58 32 2. To provide reimbursement for health care services to  
58 33 eligible persons through the home and community-based services  
58 34 waiver, including program administration and data system costs  
58 35 associated with implementation, salaries, support,  
59 1 maintenance, and miscellaneous purposes:

59 2 ..... \$ 824,483

59 3 3. To implement nursing facility provider reimbursements  
59 4 as provided in 2001 Iowa Acts, chapter 192, section 4,  
59 5 subsection 2, paragraph "c":  
59 6 ..... \$ 29,950,000

59 7 In order to carry out the purposes of this section, the  
59 8 department shall transfer funds appropriated in this section  
59 9 to supplement other appropriations made to the department of  
59 10 human services.

59 11 4. Notwithstanding sections 249H.4 and 249H.5, the  
59 12 department of human services may use moneys from the senior  
59 13 living trust fund for cash flow purposes to make payments  
59 14 under the nursing facility or hospital upper payment limit  
59 15 methodology. The amount of any moneys so used shall be  
59 16 refunded to the senior living trust fund within the same  
59 17 fiscal year and in a prompt manner.

59 18 5. Notwithstanding section 8.33, moneys committed to  
59 19 grantees under contract to provide for conversion to assisted  
59 20 living programs or for development of long-term care  
59 21 alternatives that remain unexpended at the close of the fiscal  
59 22 year shall not revert to any fund but shall remain available  
59 23 for expenditure for purposes of the contract.

59 24 Sec. 45. CONVERSION GRANT PROJECTS == RULES.

59 25 For the fiscal year beginning July 1, 2005, and ending June  
59 26 30, 2006, the department of inspections and appeals shall  
59 27 certify all assisted living programs established through  
59 28 nursing facility conversion grants. The department of  
59 29 inspections and appeals shall consult with conversion grant  
59 30 applicants and recipients to establish and monitor occupancy  
59 31 agreements and assisted living program residents shall be  
59 32 allowed access to third-party payors.

59 33 Sec. 46. HOSPITAL TRUST FUND. There is appropriated from  
59 34 the hospital trust fund created in section 249I.4 to the  
59 35 department of human services for the fiscal year beginning  
60 1 July 1, 2005, and ending June 30, 2006, the following amount,  
60 2 or so much thereof as is necessary, to be used for the purpose  
60 3 designated:

60 4 To supplement the appropriations made for the medical  
60 5 assistance program for that fiscal year:

60 6 ..... \$ 22,900,000

60 7 MENTAL HEALTH, MENTAL RETARDATION,  
60 8 DEVELOPMENTAL DISABILITIES,  
60 9 AND BRAIN INJURY SERVICES

60 10 Sec. 47. MENTAL HEALTH, MENTAL RETARDATION, DEVELOPMENTAL  
60 11 DISABILITIES, AND BRAIN INJURY SERVICE SYSTEM REDESIGN ==

60 12 ADULT AND CHILDREN'S SYSTEM == FISCAL YEAR 2006=2007. There  
60 13 is appropriated from the general fund for the state to the  
60 14 department of human services for the fiscal year beginning  
60 15 July 1, 2006, and ending June 30, 2007, the following amount,  
60 16 or so much thereof as is necessary, to be used for the purpose  
60 17 designated:

60 18 For implementation of the redesign of the mental health,  
60 19 mental retardation, developmental disabilities, and brain  
60 20 injury service system for adults and children:

60 21 ..... \$ 10,068,785

60 22 Sec. 48. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND  
60 23 DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ALLOCATIONS  
60 24 == FISCAL YEAR 2006=2007.

60 25 1. There is appropriated from the general fund of the  
60 26 state to the department of human services for the fiscal year  
60 27 beginning July 1, 2006, and ending June 30, 2007, the  
60 28 following amount, or so much thereof as is necessary, to be  
60 29 used for the purpose designated:

60 30 For distribution to counties of the county mental health,  
60 31 mental retardation, and developmental disabilities allowed  
60 32 growth factor adjustment, as provided in this section in lieu  
60 33 of the provisions of section 331.438, subsection 2, and  
60 34 section 331.439, subsection 3, and chapter 426B:

60 35 ..... \$ 38,214,933

61 1 2. The funding appropriated in this section is the allowed  
61 2 growth factor adjustment for fiscal year 2005=2006, and is  
61 3 allocated as follows:

61 4 a. For distribution to counties for fiscal year 2005=2006  
61 5 in accordance with the formula in section 331.438, subsection  
61 6 2, paragraph "b":

61 7 ..... \$ 12,000,000

61 8 b. For deposit in the per capita expenditure target pool  
61 9 created in the property tax relief fund and for distribution  
61 10 in accordance with section 426B.5, subsection 1:

61 11 ..... \$ 24,214,933

61 12 c. For deposit in the risk pool created in the property  
61 13 tax relief fund and for distribution in accordance with  
61 14 section 426B.5, subsection 2:

61 15 ..... \$ 2,000,000

61 16 Sec. 49. Section 8.59, Code 2005, is amended to read as  
61 17 follows:

61 18 8.59 APPROPRIATIONS FREEZE.

61 19 Notwithstanding contrary provisions of the Code, the  
61 20 amounts appropriated under the applicable sections of the Code  
61 21 for fiscal years commencing on or after July 1, 1993, are  
61 22 limited to those amounts expended under those sections for the  
61 23 fiscal year commencing July 1, 1992. If an applicable section  
61 24 appropriates moneys to be distributed to different recipients  
61 25 and the operation of this section reduces the total amount to  
61 26 be distributed under the applicable section, the moneys shall  
61 27 be prorated among the recipients. As used in this section,  
61 28 "applicable sections" means sections 53.50, ~~229.35, 230.8,~~  
~~61 29 230.11, 411.20, and 663.44.~~

61 30 Sec. 50. Section 229.35, Code 2005, is amended to read as  
61 31 follows:

61 32 229.35 COMPENSATION == PAYMENT.

61 33 ~~Said~~ The commissioners shall be are entitled to  
61 34 reimbursement of their necessary expenses and payment of a  
61 35 reasonable compensation, to be allowed by the judge, who shall  
62 1 certify the same to the director of the department of  
~~62 2 administrative services who shall thereupon draw the proper~~  
~~62 3 warrants on any funds in the state treasury not otherwise~~  
~~62 4 appropriated amounts to the central point of coordination of~~  
~~62 5 the person's county of residence. The amounts shall be paid~~  
~~62 6 from the county's services fund created in section 331.424A.~~  
62 7 The applicant shall pay said the costs and expenses if ordered  
~~62 8 by the judge shall so order~~ on a finding that the complaint  
62 9 was filed without probable cause.

62 10 Sec. 51. Section 230.8, Code 2005, is amended to read as  
62 11 follows:

62 12 230.8 TRANSFERS OF PERSONS WITH MENTAL ILLNESS ==  
62 13 EXPENSES.

62 14 The transfer to state hospitals or to the places of their  
62 15 legal settlement of persons with mental illness who have no  
62 16 legal settlement in this state or whose legal settlement is  
62 17 unknown, shall be made according to the directions of the  
62 18 administrator, and when practicable by employees of state  
62 19 hospitals, and the actual and necessary expenses of ~~such the~~  
62 20 transfers shall be paid ~~on itemized vouchers sworn to by the~~  
~~62 21 claimants and approved by the administrator, from any funds in~~  
~~62 22 the state treasury not otherwise appropriated by the person's~~

62 23 county of residence from the county's services fund created in  
62 24 section 331.424A.

62 25 Sec. 52. Section 230.11, Code 2005, is amended to read as  
62 26 follows:

62 27 230.11 ~~RECOVERY OF COSTS FROM STATE~~ PAYMENT OF COSTS AND  
62 28 EXPENSES.

62 29 Costs and expenses attending the taking into custody, care,  
62 30 and investigation of a person who has been admitted or  
62 31 committed to a state hospital, veterans administration  
62 32 hospital, or other agency of the United States government, for  
62 33 persons with mental illness and who has no legal settlement in  
62 34 this state or whose legal settlement is unknown, including  
62 35 cost of commitment, if any, shall be paid ~~out of any money in~~  
63 1 ~~the state treasury not otherwise appropriated, on itemized~~  
63 2 ~~vouchers executed by the auditor of the county which has paid~~  
63 3 ~~them, and approved by the administrator by the person's county~~  
63 4 of residence from the county's services fund created in  
63 5 section 331.424A.

63 6 Sec. 53. 2004 Iowa Acts, chapter 1175, section 173,  
63 7 subsection 2, paragraph c, is amended to read as follows:

63 8 c. ~~For deposit in the risk pool created in the property~~  
63 9 ~~tax relief fund and for distribution in accordance with~~

63 10 section 426B.5, subsection 2 To the department of human  
63 11 services for supplementation of the appropriations made for  
63 12 the medical assistance program for the fiscal year beginning  
63 13 July 1, 2005, and ending June 30, 2006:

63 14 ..... \$ 2,000,000

63 15 Sec. 54. 2004 Iowa Acts, chapter 1175, section 173, is  
63 16 amended by adding the following new subsections:

63 17 NEW SUBSECTION. 3. The following formula amounts shall be  
63 18 utilized only to calculate preliminary distribution amounts  
63 19 for fiscal year 2005=2006 under this section by applying the  
63 20 indicated formula provisions to the formula amounts and  
63 21 producing a preliminary distribution total for each county:

63 22 a. For calculation of an allowed growth factor adjustment  
63 23 amount for each county in accordance with the formula in  
63 24 section 331.438, subsection 2, paragraph "b":

63 25 ..... \$ 12,000,000

63 26 b. For calculation of a distribution amount for eligible  
63 27 counties from the per capita expenditure target pool created  
63 28 in the property tax relief fund in accordance with the  
63 29 requirements in section 426B.5, subsection 1:

63 30 ..... \$ 14,507,362

63 31 c. For calculation of a distribution amount for counties  
63 32 from the mental health and developmental disabilities (MH/DD)  
63 33 community services fund in accordance with the formula  
63 34 provided in the appropriation made for the MH/DD community  
63 35 services fund for the fiscal year beginning July 1, 2005:

64 1 ..... \$ 17,727,890

64 2 NEW SUBSECTION. 4. After applying the applicable  
64 3 statutory distribution formulas to the amounts indicated in  
64 4 subsection 3 for purposes of producing preliminary  
64 5 distribution totals, the department of human services shall  
64 6 apply a withholding factor to adjust an eligible individual  
64 7 county's preliminary distribution total. An ending balance  
64 8 percentage for each county shall be determined by expressing  
64 9 the county's ending balance on a modified accrual basis under  
64 10 generally accepted accounting principles for the fiscal year  
64 11 beginning July 1, 2004, in the county's mental health, mental  
64 12 retardation, and developmental disabilities services fund  
64 13 created under section 331.424A, as a percentage of the  
64 14 county's gross expenditures from that fund for that fiscal  
64 15 year. The withholding factor for a county shall be the  
64 16 following applicable percent:

64 17 a. For an ending balance percentage of less than 10  
64 18 percent, a withholding factor of 0 percent. In addition to  
64 19 the county's adjusted distribution total, a county that is  
64 20 subject to this paragraph "a" shall receive an inflation  
64 21 adjustment equal to 2.6 percent of the gross expenditures  
64 22 reported for the county's services fund for that fiscal year.

64 23 b. For an ending balance percentage of 10 through 24  
64 24 percent, a withholding factor of 25 percent. However, the  
64 25 amount withheld shall be limited to the amount by which the  
64 26 county's ending balance was in excess of the ending balance  
64 27 percentage of 10 percent.

64 28 c. For an ending balance percentage of 25 percent or more,  
64 29 a withholding factor of 100 percent.

64 30 NEW SUBSECTION. 5. The total withholding amounts applied  
64 31 pursuant to subsection 4 shall be equal to a withholding  
64 32 target amount of \$4,659,749. If the department of human  
64 33 services determines that the amount to be withheld in

64 34 accordance with subsection 4 is not equal to the target  
64 35 withholding amount, the department shall adjust the  
65 1 withholding factors listed in subsection 4 as necessary to  
65 2 achieve the withholding target amount. However, in making  
65 3 such adjustments to the withholding factors, the department  
65 4 shall strive to minimize changes to the withholding factors  
65 5 for those ending balance percentage ranges that are lower than  
65 6 others and shall not adjust the zero withholding factor or the  
65 7 inflation adjustment percentage specified in subsection 4,  
65 8 paragraph "a".

65 9 NEW SUBSECTION. 6. Each county shall submit a report to  
65 10 the Iowa state association of counties to be shared with the  
65 11 legislative services agency on or before January 31, 2006,  
65 12 regarding the unaudited expenditures from the county's mental  
65 13 health, mental retardation, and developmental disabilities  
65 14 services fund for the fiscal year beginning July 1, 2004.

65 15 EXPLANATION

65 16 This bill relates to and makes appropriations for health  
65 17 and human services for fiscal year 2005=2006 to the state  
65 18 commission of veterans affairs, the Iowa veterans home, the  
65 19 department of elder affairs, the Iowa department of public  
65 20 health, and the department of human services.

65 21 ELDER AFFAIRS, PUBLIC HEALTH, VETERANS AFFAIRS, AND HUMAN  
65 22 SERVICES. This division appropriates funding from the general  
65 23 fund of the state for the department of elder affairs and  
65 24 includes a restriction of 7.5 percent on the amount of  
65 25 allocated funds for aging programs that may be used for  
65 26 administrative purposes by the area agencies on aging. If  
65 27 legislation is enacted creating the Iowa commission on  
65 28 volunteer services, a portion of the appropriation made to the  
65 29 department of elder affairs is transferred to the office of  
65 30 the governor for the commission.

65 31 The division appropriates funding from the general fund of  
65 32 the state to the Iowa department of public health.

65 33 The division includes authority for the Iowa department of  
65 34 public health to retain and expend certain professional  
65 35 licensing fees and licensing fee increases, and to retain and  
66 1 expend fees from certification of lead inspectors and lead  
66 2 abaters.

66 3 The division appropriates funds from the gambling treatment  
66 4 fund in lieu of the standing appropriation in Code section  
66 5 135.150 for addictive disorders and provides for use of the  
66 6 funds remaining in the fund.

66 7 The division extends the vital records modernization  
66 8 project and the scope of practice review project to June 30,  
66 9 2006.

66 10 The division appropriates funding from the general fund of  
66 11 the state to the commission of veterans affairs. The division  
66 12 further provides that the Iowa veterans home shall operate  
66 13 with a net state general fund appropriation, and that general  
66 14 fund moneys may be used for cash flow management purposes.

66 15 This division appropriates funding from the general fund of  
66 16 the state and the federal temporary assistance for needy  
66 17 families block grant to the department of human services.

66 18 The department of human services is required to extend  
66 19 coverage under the medical assistance (Medicaid) program for  
66 20 youth aging out of the foster care system up to the age of 21.

66 21 Medicaid program funding is allocated for general  
66 22 administration and field operations costs for the state to  
66 23 implement the federal prescription drug coverage under the  
66 24 federal Medicare program.

66 25 If legislation is enacted to implement Medicaid program  
66 26 savings recommended by the department of human services, up to  
66 27 \$10 million of the savings is transferred to the senior living  
66 28 trust fund.

66 29 The department of human services is required to work with  
66 30 other departments in developing a tool to uniformly assess the  
66 31 long-term care needs of frail and older Iowans and persons  
66 32 with disabilities.

66 33 The department of human services is directed to increase  
66 34 the upper income eligibility limitation in the state child  
66 35 care assistance program for working families. A new line item  
67 1 appropriation is included for the adoption subsidy program  
67 2 that in previous years has been part of the child and family  
67 3 services appropriation. The department is authorized to  
67 4 transfer funding from that appropriation to the Medicaid  
67 5 program appropriation to be used for state match for services  
67 6 provided to children with serious emotional disorders who  
67 7 would otherwise be subject to a child in need of assistance  
67 8 adjudication.

67 9 Funding is appropriated for implementation of the redesign

67 10 of mental health, mental retardation, developmental  
67 11 disabilities, and brain injury (MH/MR/DD/BI) service system  
67 12 for adults and children.  
67 13 Code section 249.3, relating to persons who may be eligible  
67 14 for the state supplementary assistance program at the option  
67 15 of the department of human services, is amended to decrease  
67 16 the upper income eligibility limitation and to change the  
67 17 requirement relative to receiving benefits under the Medicaid  
67 18 program.  
67 19 Code section 505.25, requiring health insurance carriers to  
67 20 enter into a data match program with the department of human  
67 21 services to compare the names of the carrier's insureds with  
67 22 recipients of the Medicaid program, is amended to also compare  
67 23 the names with enrollees of the hawk=i program.  
67 24 Provisions in division I related to issuance of funding  
67 25 plans by representatives of the department of human services  
67 26 and the judicial branch take effect upon enactment.  
67 27 SENIOR AND HOSPITAL TRUST FUNDS. This division makes  
67 28 appropriations for the 2005=2006 fiscal year from the senior  
67 29 living trust fund to the department of elder affairs and the  
67 30 department of human services.  
67 31 The division makes an appropriation from the hospital trust  
67 32 fund to the department of human services to supplement the  
67 33 medical assistance appropriation.  
67 34 MENTAL HEALTH, MENTAL RETARDATION, DEVELOPMENTAL  
67 35 DISABILITIES, AND BRAIN INJURY SERVICES. This division  
68 1 relates to mental health, mental retardation and other  
68 2 developmental disabilities, and brain injury (MH/MR/DD/BI)  
68 3 services funding. The FY 2006=2007 MH/MR/DD allowed growth  
68 4 funding appropriation is included.  
68 5 Standing appropriations in Code sections 229.35, 230.8, and  
68 6 230.11 for the commitment and services costs of persons with  
68 7 mental illness who do not have a county of legal settlement or  
68 8 are not residents of this state are eliminated. Instead,  
68 9 these costs are to be paid by the person's county of residence  
68 10 from the county's MH/MR/DD services fund.  
68 11 The division provides for distribution of the services  
68 12 funding previously appropriated for FY 2005=2006 and shifts an  
68 13 allocation made from that funding to the risk pool fund to  
68 14 instead be used for the Medicaid program.  
68 15 LSB 1100XG 81  
68 16 pf:jp/cf/24.3